

**VILLAGE OF
ELK GROVE VILLAGE
ILLINOIS**

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED APRIL 30, 2005

Issued by:

Department of Finance

Christine Tromp
Director of Finance

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VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2005

LEGISLATIVE

Mayor

Craig B. Johnson

Trustees

**Nancy J. Czarnik
Bart K. Dill
Patton L. Feichter**

**Samuel L. Lissner
James P. Petri
Chris Prochno**

ADMINISTRATIVE

Gary E. Parrin, Village Manager

Ann I. Walsh, Village Clerk

Christine Tromp, Village Treasurer

George B. Knickerbocker, Village Attorney/Prosecutor

DEPARTMENT HEADS

**Michael Cavallini
Health & Community Services**

**Thomas Cech
Public Works**

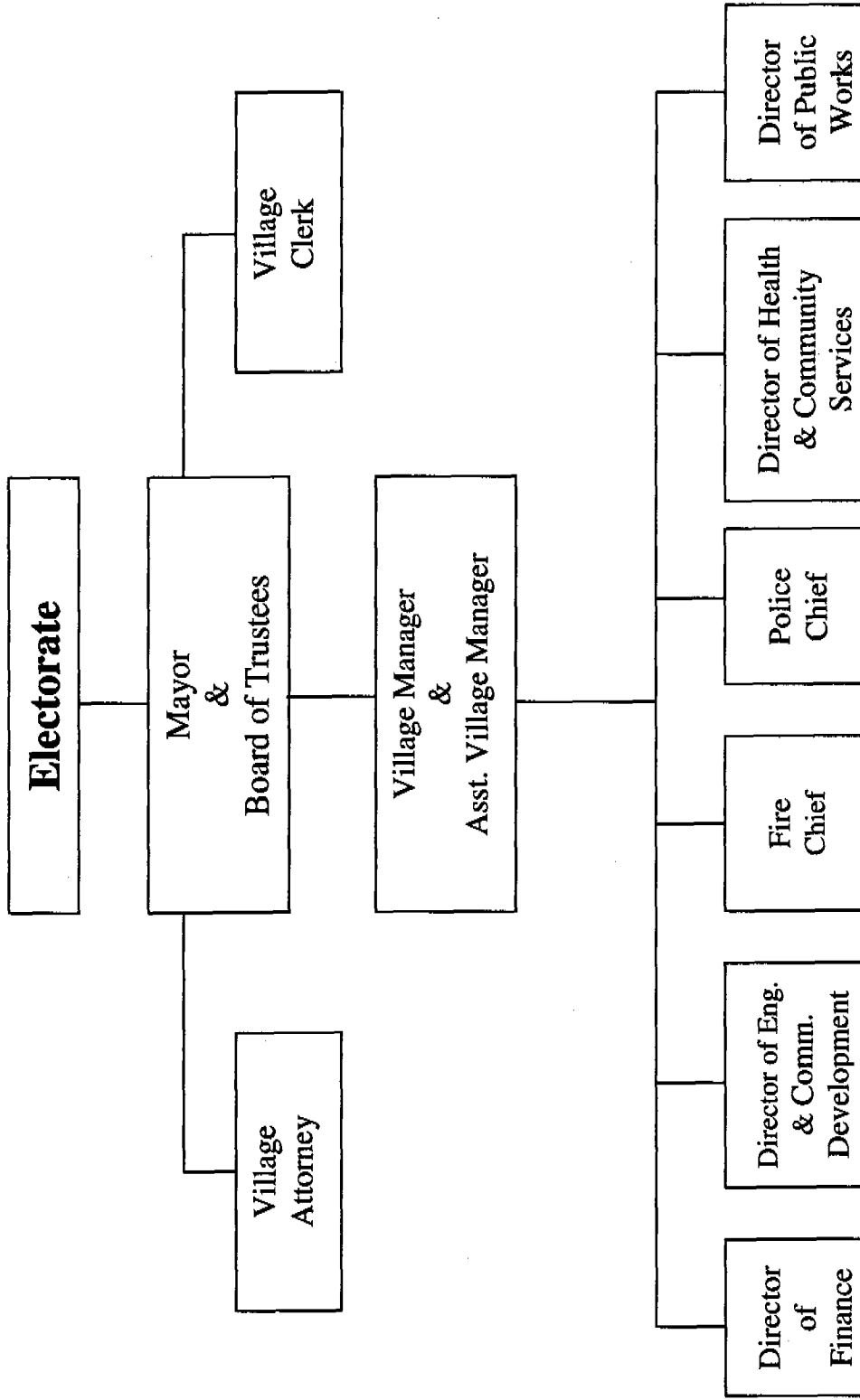
**Alan Boffice
Engineering & Community Development**

**Douglas Goostree
Fire**

**Stephen F. Schmidt
Police**

**Christine Tromp
Finance**

Village of Elk Grove Village, IL Organizational Chart



Boards and Commissions Appointed by Mayor with Concurrence of Trustees

Board of Health	Industrial/Commercial Revitalization Commission
Community Service Board	Fire and Police Commission
Plan Commission	Firefighter's Pension Board
Police Pension Board	Zoning Board of Appeals

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Elk Grove Village,
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2004

A Certificate of Achievement for Excellence in Financial
Reporting is presented by the Government Finance Officers
Association of the United States and Canada to
government units and public employee retirement
systems whose comprehensive annual financial
reports (CAFRs) achieve the highest
standards in government accounting
and financial reporting.



Nancy L. Ziehl

President

Jeffrey R. Emer

Executive Director



Mayor
CRAIG B. JOHNSON

Village Clerk
ANN I. WALSH

Village Manager
GARY E. PARRIN

Village Trustees
NANCY J. CZARNIK
BART K. DILL
PATTON L. FEICHTER
SAMUEL L. LISSNER
JAMES P. PETRI
CHRIS PROCHNO

September 1, 2005

Honorable Mayor,
Board of Trustees,
Village Manager, and
the Citizens of Elk Grove Village, Illinois

The Comprehensive Annual Financial Report (CAFR) of the Village of Elk Grove Village, Illinois, for the fiscal year ended April 30, 2005 is hereby submitted. This report fulfills state laws requiring general-purpose local governments to publish a complete set of audited financial statements at the end of each fiscal year. This report provides a wide view of the Village's financial activities for the 2005 fiscal year. Although addressed to the elected officials and citizens of the Village, this report has a number of other uses. Foremost among these users are bondholders, financial institutions, credit rating agencies, educational institutions, and other governmental agencies. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of my knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities are included.

The comprehensive annual financial report (CAFR) is presented in three sections: introductory, financial, and statistical. The introductory section, which is unaudited, contains this letter of transmittal, an organizational chart, and a list of the Village's principal elected and appointed officials. The financial section is comprised of the basic financial statements and the combining of individual fund financial statements and schedules, as well as the independent auditors' report on the financial statements and schedules. The statistical section, which is partially unaudited, presents selected financial and demographic information, generally reported on a multi-year basis. Information required for continuing disclosure is also included in the statistical section. State Statutes require an annual audit by independent certified public accountants. The accounting firm of Sikich Gardner & Co, LLP was selected by the Village. The independent auditors' report is included in the financial section of this report.

The financial reporting entity defines what operations are considered to be part of the Village for external financial reporting purposes. The Governmental Accounting Standards Board (GASB) Statement No. 14, Defining the Financial Reporting Entity, establishes the criteria used to define the reporting entity and the method of displaying component units. The GASB is an organization that establishes accounting and financial reporting standards for state and local governments in the United States. GASB Statement No. 34 significantly changed the required format for governmental statements in a number of ways. The most significant of these changes required that governments prepare entity-wide financial statements in addition to the fund-based financial statements that governments have traditionally prepared. This is required to present the financial position of a government and results of operations in a manner similar to that of a business. More information about this new financing reporting model is provided in Management's Discussion and Analysis (MD&A), located in the Financial Section of this report.



Profile of the Government

The Village of Elk Grove was incorporated in 1956 and operates under the council/manager form of government, as established in 1965. Elk Grove Village is a home-rule community as defined by the Illinois Constitution. This form of government combines the leadership and policy-making skills of elected officials with the professional administrative training of the Village Manager. Under this popular form of government, the elected representatives establish policies steering the Village's purpose, values, mission, and goals. It is the role of the Village Manager to implement those policies in an efficient and effective manner.

Located approximately 22 miles northwest of the City of Chicago, Elk Grove Village has a land area of 10.9 square miles with approximately 131 miles of streets. The Village provides a full range of services to its citizens including police and fire protection; health and social services; water and sewer utilities; planning and zoning; the construction and maintenance of streets and infrastructure; and, general administrative services.

The financial reporting entity of the Village of Elk Grove is comprised of all the funds of the primary government (i.e., the Village of Elk Grove as legally defined), and its component unit: the Elk Grove Village Public Library.

The Library was determined to be a component unit because, under the reporting entity criteria, the Library is fiscally dependent upon the Village. The Library is reported as a discrete presentation. As such, the Library in its entirety is reported in a separate column on the basic financial statements. This is to emphasize the fact that the Library is legally separate from the Village and to differentiate the Library's financial position and results of operations from those of the Village.

In addition, under GASB Statement No. 14, the High-Level Excess Liability Pool (HELP) is defined as a public entity risk pool. The Village's participation in HELP is accounted for accordingly.

The Village Board is required to adopt a final budget no later than the close of the fiscal year. The Village maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. The level of budgetary control, or the level at which expenditures cannot legally exceed the budgeted amount, is established at the department level. Any budget revisions altering the total budget for a department must be approved by the Village Board of Trustees. Encumbrances lapse at year-end and, if approved, are included in the following year's budget.

Local Economy

The development, growth, and progress of Elk Grove Village are reflected in the Village's vast, modern Business Park. The Business Park, consisting of manufacturing, warehousing, and distribution firms, is situated in a five square-mile area and employs nearly 100,000 people. Furthermore, the Business Park ranks 2nd in the State for the number of manufacturing firms and 3rd in the State for the value of the products produced. Currently, 80% of the companies in the Business Park employ 50 people or less.

From 12 firms in 1960, the Business Park has grown to approximately 3,800 firms today. This consistent, exceptional growth is mainly attributable to the Business Park's close proximity and access to O'Hare International Airport, the five interstate and three state highways serving the area, a stable skilled and semi-skilled labor force, an ample supply of suitable sites and buildings, and a wide variety of housing in the area.

The Business Park has produced a stable, broad, and diverse tax base for the Village providing approximately 76% of the Village's property tax revenues and 80% of the Village's sales tax revenues. Accordingly, the Village actively works to recruit new and retain current businesses within the park.

Despite the continuing slowdown in the economy, the Village experienced a net gain of 107 new businesses during the 2004 calendar year. In addition, 265 companies relocated or expanded their business within Elk Grove Village. Currently, more than 94 million square feet of the building space in the Business Park is occupied, with less than 6 million square feet vacant.

Continuing economic development efforts maintain the Village's status as the second largest location of employment in the state, second only to Chicago. Furthermore, Elk Grove Village's unemployment rate at 5.5% continues to be below the State of Illinois average of 6.9%. The Village's top employers include Alexian Brothers Medical Center with 2,000 employees, ADP with 1,000 employees, and Field Container with 350. The Village of Elk Grove Village is also a top employer with nearly 400 full-and part-time employees.

In 2003, the financially distressed K-Mart, announced that it would be closing its location within the Village in March 2003. This marked the loss of one of the Village's principal sales tax producers. Fortunately, this created only a short-term vacancy for this large retail site since Home Depot, Staples, and Aldi's subsequently announced plans to redevelop this location. Home Depot opened in March 2005 and is reporting better than expected sales. The Village looks forward to the addition of a Panera Bread and Sunny Side Up Pancake House restaurant in 2005.

In other retail development news, the Village continues to move forward with the redevelopment of the Rohlwing Grove Shopping Center located at the intersection of Devon Avenue and Rohlwing Road. The Village purchased the 9.15-acre shopping center property for \$2,361,720. This property was sold to a developer on May 1, 2003 for \$2,447,480 resulting in a net gain of \$85,760. Current tenants include Belvedere Banquets, Real Time Sports, Charlie's Charhouse, and Country Inn & Suites.

Long-Term Financial Planning

The Village maintains an aggressive economic development strategy to preserve the favorable economic base currently enjoyed by the Village. The Village is proactive and responsive to the needs of its commercial and industrial businesses, and works to enhance communications between industry and government. The Economic Development Division promotes the Village as an excellent location for business due to low taxes and access to all forms of transportation. The Village continues to develop a plan for future commercial development.

The Village annually updates a 5-Year Capital Plan to assist in budgetary preparation for large capital projects. For a project to be included in the Capital Plan, it must involve the creation or purchase of a tangible asset with an original cost that exceeds \$10,000 and has a useful life of more than one year. Most projects in the Capital Plan include infrastructure enhancements.

Relevant Financial Policies

Village policy provides for a 4-month reserve of current year general fund budgeted expenditures. Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, obligations of the U.S. Government and its agencies. The Village's investment policy is to minimize credit and market risks

while maintaining a competitive yield on its portfolio. These funds are invested in government securities and certificates of deposit.

The Village maintains a limited self-insurance program for liability coverage, workers' compensation, and health benefits for both employees and retirees. An integral part of the Village's self-insurance program is an emphasis on loss prevention. A safety committee comprised of employee representatives from each department meets monthly to review accident and injury reports involving employees. This committee makes recommendations and suggestions to improve and promote workplace safety.

The Village participates in the High-Level Excess Liability Pool (HELP), a consortium of fifteen municipalities formed to provide excess liability insurance. HELP provides \$10,000,000 liability coverage in excess of a \$2,000,000 self-insured retention. The retention is covered by each member in the form of primary insurance or self-insurance. HELP retains the next \$3,000,000 and re-insurance obtained by HELP covers the next \$7,000,000.

Major Initiatives

For the Year. Fiscal Year 2005 was another successful year for infrastructure projects and funding assistance. The Village is extremely appreciative of the federal and state grants received and the services they make possible. Federal and state grants continue to be pursued so that the Village can offer the best possible public services at the lowest cost.

Busse Road Improvements (Busse/Devon Intersection and Busse/Landmeier Intersection)

The Busse Road /Devon Avenue and Busse Road/Landmeier Road intersections were both improved with the addition of dual left turn lanes. In Fiscal Year 2005, the Village received previously awarded grant payments of \$282,204 and \$575,863 respectively from the Illinois Department of Transportation.

Nerge Road Improvement

In Fiscal Year 2005, the Village received \$209,949 in previously awarded funding from the State of Illinois and Cook County to widen and reconstruct Nerge Road from Rohlwing Avenue to Devon Avenue, including intersection and traffic signal improvements.

Street Lighting Program

In Fiscal Year 2005 the Village was awarded a grant from the State of Illinois in the amount of \$125,000 for additional street lighting in residential areas. The grant will be used to install 37 new street lights and to provide 10 replacements street lights.

EMA Communications Van

In Fiscal Year 2005, the Village was awarded a \$50,382 grant from the Federal Emergency Management Agency/Homeland Security to purchase equipment for the Village's new communications van. Equipment to be purchased included computer and radio equipment to remain in the van for emergencies where the communications van is utilized as a command center. The 10% grant match was provided by the Mutual Aid Box Alarm System (MABAS), of which the Village is a member.

For the Future. As the result of continuing economic uncertainties at home and abroad, the Village decided to reduce costs by deferring various purchases and projects. Despite these impediments, our community's leaders have committed themselves to preserving Elk Grove Village's quality of life. The Village will continue to invest in its future through various long term programs and policies that will ensure the Village's status as an "Exceptional Community". In the coming year, the Village plans to modernize and improve existing infrastructure by:

- Continuing the revitalization of the Business Park;
- Introduction of Phase I of a four-phase water meter replacement program;
- Maintenance of the Salt Creek stream banks; and
- Continuation of the large diameter (4.0" caliper) parkway tree replacement program.

Industrial/Commercial Revitalization. Moving into the 7th year of a ten-year Industrial/Commercial Revitalization Program, several major infrastructure and transportation projects are about to come to fruition within the Business Park. Some notable ICRC projects scheduled for fiscal year 2006 include:

- Installation of six (6) additional gateway signs with landscaping;
- Landscaping improvements, development of pocket parks and well site enhancements;
- Improvements to the Devon Avenue and Tonne Road intersection;
- Continued widening and reconstruction of Lively Boulevard.

The Industrial/Commercial Revitalization Program is funded with a 3% tax on all telecommunications. In addition to this funding, the ICRC Program has secured over \$14 million in Federal, State, and County funding for numerous transportation improvements within the Business Park.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its comprehensive annual financial report for the fiscal year ended April 30, 2004. This was the twenty-first consecutive year the Village has received this prestigious award.

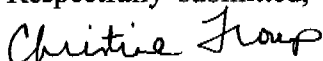
In order to be awarded a Certificate of Achievement, the Village of Elk Grove must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. The April 30, 2004 report satisfied both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

A Certificate of Achievement is valid for only one year. I believe the Village's comprehensive annual financial report for the fiscal year ended April 30, 2005 continues to meet the Certificate of Achievement Program's requirements, and I am submitting it to the GFOA to determine its eligibility for another certificate.

In closing, I would like to express my sincere gratitude to all members of the Finance Department who directly assisted and contributed to the preparation of the Comprehensive Annual Financial Report. In particular, I would like to acknowledge Chris Soriano, Assistant Director of Finance, Sandy Smalley, Accounting Supervisor, and Cathy Miarnowski, Assistant to the Director of Finance.

I also wish to express my appreciation to the Mayor, Board of Trustees, and the Village Manager for their leadership and continued support which made the preparation of this report possible.

Respectfully submitted,



Christine Tromp
Director of Finance



INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

The Honorable Village Mayor
Members of the Board of Trustees
Village of Elk Grove Village, Illinois

We have audited the basic financial statements of the Village of Elk Grove Village, Illinois as of and for the year ended April 30, 2005, as listed in the accompanying table of contents. These basic financial statements are the responsibility of the Village of Elk Grove Village, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Village of Elk Grove Village, Illinois as of April 30, 2005, and the results of its operations and cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 22, 2005 on our consideration of the Village of Elk Grove Village, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements as a whole. The combining and individual fund financial statements and schedules and the financial information listed as other supplemental information in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Village of Elk Grove Village, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

The Management's Discussion and Analysis and the required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The information contained in the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion thereon.

Aurora, Illinois
July 22, 2005

A handwritten signature in cursive script, appearing to read "David Anderson", followed by the date "7/22/05".

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

Management's Discussion and Analysis (MD&A)

The Management Discussion and Analysis (MD&A) provides the readers of the Village of Elk Grove's financial statements with a narrative overview and analysis of the financial activities of the Village of Elk Grove for the fiscal year ended April 30, 2005. The information presented here should be considered in conjunction with the additional information provided in the Letter of Transmittal, found on pages iv through viii of this report.

Overview of the Financial Statements

For the second year, the Village's financial statements are presented as two kinds of statements. Government-wide statements provide information on the finances of the Village as a whole; major fund statements provide a snapshot look at Village resources that have been segregated for a specific purpose. Together, these statements allow for in-depth comparison year to year for Village financial activities, and for comparison with the financial state of other governments.

Government-wide Financial Statements

The government-wide financial statements report the overall finances of the Village in a manner similar to that of a private sector business. These statements combine and consolidate short-term, consumable resources with capital assets and long-term obligations.

Statement of Net Assets. The Statement of Net Assets presents information on all of the Village's assets, less liabilities, resulting in net assets for the fiscal year. Over time, increases or decreases in net assets may indicate whether the financial position of the Village is improving or deteriorating.

Statement of Activities. The Statement of Activities presents information showing how a government's net assets changed during the most recent fiscal year. All changes in net assets are reported as a result of the year's activities and events. Much like a private sector business, all revenues and expenses are reported regardless of the timing of when cash is received or paid out.

Both of these government-wide financial statements distinguish functions of the Village that are financed primarily by taxes, intergovernmental revenues, and charges for services (governmental activities) whereby user fees and charges to customers cover all or most of the cost of the service provided (business-type activities). The Village's governmental activities include general government, public safety, highway and streets, health services, and community services. Business-type activities of the Village are water and sewer systems.

The government-wide financial statements include not only the Village itself (the primary government), but also the Elk Grove Public Library (the "Library"). The Village is financially responsible for the Library, but the Library has a separate governing board. As the Library is a component unit, its financial information is reported separately from the financial information of the Village.

The government-wide financial statements can be found on pages 3 through 5 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate fiscal accountability and compliance with finance-related legal requirements. Fund financial statements provide more detailed information about the Village's most significant funds, rather than the Village as a whole. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to report most of the Village's basic services. Governmental fund financial statements focus on the inflows and outflows of current resources and the balances of spendable resources available at the end of the fiscal year. Governmental fund statements provide a short-term view of the Village's operations. The governmental funds Balance Sheet provides a reconciliation to the Statement of Net Assets; the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provides a reconciliation to the Statement of Activities.

The Village maintains 16 governmental funds. There are six major funds which have separately presented information in the governmental fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. These are the General Fund, Industrial/Commercial Revitalization Fund, Debt Service Fund, Capital Projects Fund, Grove Mall Redevelopment Fund and Devon/Rohlwing Redevelopment Fund. The ten nonmajor funds are presented in the aggregate in the governmental fund financial statements. The individual fund information is presented in combining statements.

The Village adopts an annual budget for its General Fund and certain special revenue funds. Budgetary comparison statements have been provided for analytical purposes.

The basic governmental fund financial statements can be found on pages 6 through 11 of this report.

Proprietary Funds. The Village maintains two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide statements. The Village uses an enterprise fund to account for its water and sewer operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among

the Village's various functions. The Village uses an internal service fund to account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of five (5) or more years. These purchases are financed through a cost reimbursement to the Capital Replacement Fund from the account of the appropriate Village function.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Information for the operation of the water and sewer system is provided separately, as it is considered a major fund of the Village. Information on the internal service fund is also provided in the proprietary fund financial statement.

The basic proprietary fund financial statements can be found on pages 12 through 15 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Activities from fiduciary funds are not included in the government-wide financial statements because the Village cannot use these assets for its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains two fiduciary funds: the Police Pension Fund and the Firefighters' Pension Fund.

The basic fiduciary financial fund statements can be found on pages 16 through 17 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 through 54 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide benefits to its employees. Required supplementary information can be found on pages 55 through 63 of this report.

The combining statements for nonmajor governmental funds, enterprise funds, and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 64 through 97 of this report.

Government-wide Financial Analysis

Net Assets. The following table reflects the condensed Statement of Net Assets. For comparison purposes, the Statement of Net Assets from the prior fiscal year is provided.

Governmental Activities Statement of Net Assets April 30, 2005

	Governmental Activities 2005	Governmental Activities 2004	Business-Type Activities 2005	Business-Type Activities 2004	Total Primary Government 2005	Total Primary Government 2004
Current and Other Assets	59,971,439	62,957,189	10,176,382	10,740,318	70,147,821	73,697,507
Capital Assets	69,769,798	67,104,346	14,766,914	14,771,663	84,536,712	81,876,009
Total Assets	129,741,237	130,061,535	24,943,296	25,511,981	154,684,533	155,573,516
Long-Term Liabilities	23,589,417	21,863,111	41,204	41,732	23,630,621	21,904,843
Other Liabilities	17,221,012	15,511,056	987,967	909,620	18,208,979	16,420,676
Total Liabilities	40,810,429	37,374,167	1,029,171	951,352	41,839,600	38,325,519
Net Assets:						
Invested in Capital, Net of Debt	51,514,798	46,071,963	14,766,914	14,771,663	66,281,712	60,843,626
Restricted	7,706,586	7,672,108	-	-	7,706,586	7,672,108
Unrestricted	29,709,424	38,943,297	9,147,211	9,788,966	38,856,635	48,732,263
Total Net Assets	88,930,808	92,687,368	23,914,125	24,560,629	112,844,933	117,247,997

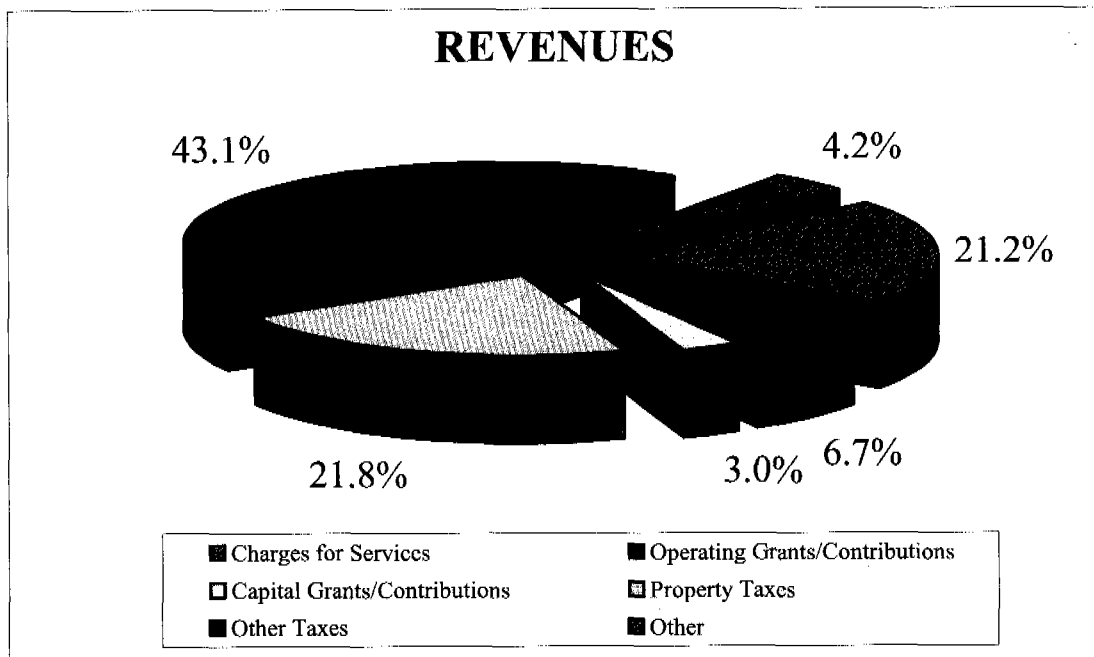
With the planned Industrial/Commercial Revitalization Fund and Capital Replacement Fund capital expenditures, expenses exceeded revenue sources, and in turn, resulted in a decrease in net assets. In addition, the Village experienced higher expenses in personal services and due to GAAP required accrual of the Devon/Rohlwing TIF capital outlay.

The decrease in net assets of the business-type activities is attributable to a water rate that is insufficient to support the water and sewer operations. Consequently, a water & sewer rate increase will be implemented begin January 1, 2006. Vacancies in the industrial park due to the downturn in the economy resulted in less demand for water services. The decrease in operating revenue was matched by a slight increase in operating expenses.

Statement of Activities. The following table summarizes the revenues and expenses of the Village's activities.

**Change in Net Assets
For the Fiscal Year Ended April 30, 2005**

	Governmental Activities 2005	Governmental Activities 2004	Business-Type Activities 2005	Business-Type Activities 2004	Total Primary Government 2005	Total Primary Government 2004
REVENUES						
Program Revenues:						
Charges for Services	3,245,516	3,646,818	7,938,690	7,725,149	11,184,206	11,371,967
Operating Grants and Contributions	3,514,302	3,089,476	-	-	3,514,302	3,089,476
Capital Grants and Contributions	1,559,156	2,548,227	-	-	1,559,156	2,548,227
General Revenues:						
Property Taxes	11,486,064	10,502,231	-	-	11,486,064	10,502,231
Other Taxes	22,793,873	19,750,309	-	-	22,793,873	19,750,309
Other	1,843,314	1,314,919	140,842	58,771	1,984,156	1,373,690
Total Revenues	44,442,225	40,851,980	8,079,532	7,783,920	52,521,757	48,635,900
					-	-
EXPENSES						
General Government	10,249,459	6,353,807	-	-	10,249,459	6,353,807
Public Safety	22,526,297	20,506,176	-	-	22,526,297	20,506,176
Highway and Streets	10,071,979	11,795,537	-	-	10,071,979	11,795,537
Health Services	1,302,331	1,300,937	-	-	1,302,331	1,300,937
Community Services	216,579	327,246	-	-	216,579	327,246
Water and Sewer	-	-	9,123,032	8,608,588	9,123,032	8,608,588
Interest and Fiscal Charges	1,238,849	1,077,282	-	-	1,238,849	1,077,282
Total Expenses	45,605,494	41,360,985	9,123,032	8,608,588	54,728,526	49,969,573
Excess Before Capital Contributions and other items	(1,163,269)	(509,005)	(1,043,500)	(824,668)	(2,206,769)	(1,333,673)
Contributions	-	-	225,000	-	225,000	-
Gain (Loss) on Sale of Capital Assets	-	5,891	(5,500)	(4,725)	(5,500)	1,166
Change in Net Assets	(1,163,269)	(503,114)	(824,000)	(829,393)	(1,987,269)	(1,332,507)

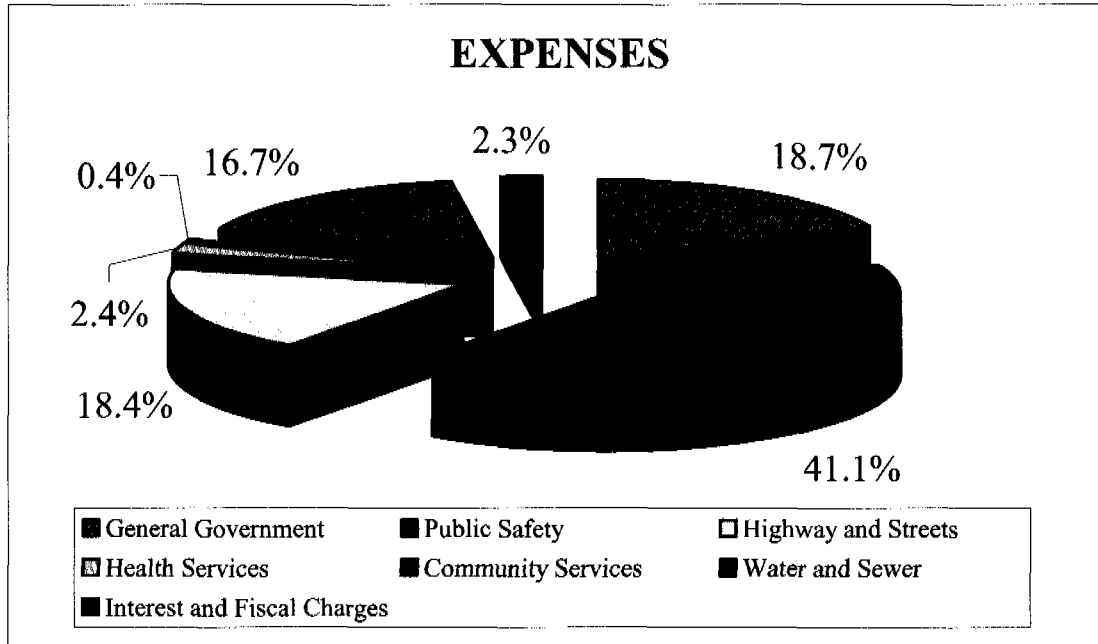


For the fiscal year ended April 30, 2005, revenues totaled \$52.7 million. The Village benefits from a highly diversified revenue base. Revenues from the Village's largest single source, property taxes, amounted to \$11.5 million. Property taxes support governmental activities, debt service obligations, and state mandated contributions to the Fire and Police Pension Funds, as well as IMRF. Between fiscal years 2004 and 2005, property tax revenues increased as a result of a higher tax levy, due to the increasing required Village contribution to the Fire and Police Pension Funds. The Village's 2004 property tax rate decreased 3% to \$0.497 per \$100 of EAV. The decrease in the property tax rate is attributable to a 9.7% increase in the Village's EAV.

The "other taxes" classification includes a number of different revenue sources. Among those are sales and use taxes, real estate transfer tax, hotel/motel occupancy tax, telecommunication taxes, food and beverage tax, cable franchise tax and other franchise taxes. The two major types of sales taxes are the retailer's occupation tax (ROT) and the home-rule sales tax. Both of these sales taxes in Cook and Dupage counties are collected by the State of Illinois. The equivalent of 1% of ROT is remitted to Elk Grove Village. The home-rule sales tax rate is 1% with all of the proceeds remitted to the Village. The Village also has a Food and Beverage tax of 1%. Additionally, the Village implemented a \$0.01 per therm Natural Gas Use Tax effective January 1, 2004. The Revenue remitted for this new tax amounted to nearly \$600,000 during fiscal year 2005.

In 2005, sales and use tax revenues were \$13.5 million compared to \$11.7 million in 2004. Though much of the increase is attributable to the increase in the home-rule sales tax, it is also the sign of a strengthening economy. State-shared sales taxes and the home-rule sales taxes are recorded in the General Fund.

The major revenue component of the “charges for services” classification are fees from the Village’s water and sewer utility. Water and sewer revenue was \$8.3 million in 2005, compared with \$7.7 million in 2004. A decrease in vacancies in the industrial park and a warm summer contributed to this increase.



The Village of Elk Grove Village’s expenses amounted to \$54.7 million in 2005. Public safety expenses related to the operations of the Police Department and Fire Department accounted for the largest share of the total. More than 41% of the Village’s General Fund expenses are related to public safety. Expenses for the Fire and Police Departments in the General Fund totaled \$11,102,871 and \$11,234,641 respectively. The majority of these costs are due to salary expenses and health care benefits. Total expenditures for the General Fund totaled \$32,084,206. The third largest expenditure is due to Highways and Streets, with a total FY05 expenditure of \$5,779,272. Highways and Streets include both the Public Works and Engineering Departments.

Several collective bargaining agreements established salary increases during Fiscal Year 2005. Those agreements provided for various step and general cost of living increases. Increases were in the range of 3.25% to 5.6% in 2005.

Due to GAAP requirements, possible adjustments to firefighters salaries were accounted for as an expense in 2005, even though the Fire Union contract was still under negotiation.

Financial Analysis of the Village’s Funds

Governmental Funds

The focus of the governmental funds is to provide information on near-term inflows,

outflows, and balances of spendable resources. Such information is helpful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At April 30, 2005, using the modified accrual basis of accounting, the governmental funds had a combined fund balance of \$34,171,408. This reflects a \$4,595,484 decrease over the prior year balance of \$38,766,892.

The General Fund is used to account for the resources and expenses traditionally associated with a municipal government such as general government, public safety, highway and streets, and health services. The fund balance of the General Fund increased by \$609,929 during the current fiscal year.

The Industrial/Commercial Revitalization Fund is used to account for the operations of the Village's industrial and commercial revitalization programs. Financing is provided by a tax assessed on telecommunication services. The fund balance decreased by \$2,422,570. This reduction is due to the various infrastructure projects around the industrial park.

The Capital Projects Debt Fund is used to account for the accumulated monies for payment of General Obligation Bonds. Financing is provided by an annual property tax levy. The fund balance increased by \$22,695.

The Capital Projects Fund is used to account for the purchase, maintenance, or construction of major capital projects in the Village. Projects are financed by federal and state grants and proceeds of General Obligation Bonds. The fund balance decreased by \$1,727,067 due to various capital outlays during the year.

The Grove Mall Redevelopment Fund is used to account for the purchase, maintenance, and redevelopment expenditures associated with the Grove Mall property. The fund balance increase of \$431,072 is due to tax levy receipts exceeding expenditures.

The Devon/Rohlwing Redevelopment Fund is used to account for the purchase, maintenance, and redevelopment expenditures associated with the Rohlwing Grove Shopping Center Property. The fund balance decreased by \$275,472. This reduction is mainly due to the accrual of a \$4.25 million limited obligation note payable.

The ten nonmajor funds have an aggregate fund balance decrease of \$1,234,071. The change in individual fund balance is presented in the combining statements.

Proprietary Funds

The Waterworks and Sewerage Fund recorded less than expected results for 2005. Lower water and sewer revenue accounted for a large measure of the decrease to net assets. The change in net assets for the year was a negative \$824,000. An independent study

indicated an insufficient water rate to support the operations of the water and sewer system. A rate increase will take effect January 1, 2006. The Water/Sewer Fund unrestricted net assets and invested in capital assets amounted to \$9,147,211 and \$14,766,914 respectively.

The Internal Service Fund experienced an increase to net assets of \$143,896. The unrestricted net assets and net assets invested in capital assets amounted to \$5,302,423 and \$2,935,928 respectively at fiscal year end.

General Fund Budgetary Highlights

General Fund For the Fiscal Year Ended April 30, 2005

	Original Budget	Amended Budget	Actual
REVENUES			
Taxes	24,814,338	24,814,338	25,226,905
Licenses and Permits	1,371,125	1,371,125	1,678,705
Other	4,745,548	4,745,548	5,808,713
Total Revenues	30,931,011	30,931,011	32,714,323
EXPENDITURES AND TRANSFERS			
Expenditures	(31,355,398)	(32,118,838)	(32,084,286)
Transfers Out	-	-	(20,108)
Transfers In	-	-	-
Total Expenditures and Transfers	(31,355,398)	(32,118,838)	(32,104,394)
Change in Fund Balances	(424,387)	(1,187,827)	609,929

The positive General Fund results were attributable to the increase in taxes collected during the Fiscal Year offset by the continuing increase in medical insurance costs and self insurance costs related to workers' compensation, as mandated by the State Industrial Relations Board.

Total tax revenues in the General Fund exceeded budget amounts mainly due to increased collections of sales and use taxes (\$445,635 over), greater vehicle sticker compliance (\$162,313 over) and building permits fees (\$160,489 over). The increase in vehicle sticker revenue is related to the Village's 2004 vehicle sticker amnesty program and resulting penalties for those who did not participate in the program and are now required to pay for prior years' stickers. Though the increased revenue was not related to prior

years' penalties, the program did have an effect on the overall purchase of stickers as a deterrent from not purchasing a sticker. The other increases are indicators of a strengthening economy, though increased sales tax revenue is partially attributable to a .25% increase in the Village's home rule tax. Home improvement work continues on a record basis as interest rates remain low.

The Village of Elk Grove approved three budget amendments to the General Fund during the year. The largest of these amendments served mainly to authorize increases in budgeted health insurance costs. The amendments were:

- \$660,000 increase to the General Fund to cover the Village portion of PPO costs. Revised estimates from the Village's insurance carrier proved to be more costly than anticipated during the initial budget process.
- \$11,544 increase to the General Fund to cover outstanding street light maintenance costs that had accumulated as of the November 16, 2004 Village Board meeting.
- \$29,704 increase to the General Fund to provide for an increase to the street light maintenance contract for future costs incurred after the November 16, 2004 Village Board meeting.

Capital Assets

The following schedule reflects the Village's capital asset balances as of April 30, 2005.

Capital Assets			
As of April 30, 2005			
	Governmental	Business-Type	
	Activities	Activities	Total
Land	4,970,492	1,977,726	6,948,218
Land Right of Way	24,623,825	-	24,623,825
Buildings and Land Improvements	28,195,342	4,758,673	32,954,015
Machinery and Equipment	3,584,206	2,580,658	6,164,864
Licensed Vehicles	6,541,406	920,994	7,462,400
Underground Water and Sewer Lines	-	13,177,329	13,177,329
Infrastructure	47,793,096	-	47,793,096
Construction in Progress	18,825	67,000	85,825
Total	115,727,192	23,482,380	139,209,572
Less:			
Accumulated Depreciation	(45,957,394)	(8,715,466)	(54,672,860)
Total	69,769,798	14,766,914	84,536,712

Major capital asset events during fiscal year 2005:

- Purchase of a sewer televising equipment in the amount of \$119,082
- Eleven (11) new squad cars were acquired by the Police Department for a total amount of \$275,549
- Quantum Fire Pumper acquired by the Fire Department in the amount of \$409,237
- \$575,862 in improvements to the Busse/Devon Intersection
- Reconstruction of Lively Boulevard in the amount of \$2,646,514
- Biesterfield Road was widened and repaved at a cost of \$1,686,891

See Note 4 for additional information on the capital asset activity of the Village.

Long-Term Debt

The table below summarizes the Village's bonded and similar indebtedness.

Bonded and Similar Indebtedness As of April 30, 2005

	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds	23,474,458	-	23,474,458
Total	23,474,458	-	23,474,458

As an Illinois home-rule community, the Village is not subject to any debt limitation. The Village's credit rating by Moody's Investors Services, Inc. is rated at Aa1. These bonds are generally known as high-grade bonds. Bonds rated Aa are judged to be of high quality by all standards. The modifier 1 indicates that the issue ranks in the higher end of its rating category. See Note 6 for additional information on the long-term debt activity of the Village.

Economic Factors

Despite the continuing slowdown in the economy, the Village experienced a net gain of 107 new businesses during the 2004 calendar year. In addition, 265 companies relocated or expanded their business within Elk Grove Village. Currently, more than 94 million square feet of the building space in the Business Park is occupied, with less than 6 million square feet vacant. Continuing economic development efforts maintain the Village's status as the second largest location of employment in the state, second only to Chicago. Furthermore, Elk Grove Village's unemployment rate at 5.5% continues to be below the State of Illinois average of 6.9%.

In 2003, the Village lost one of its principal sales tax producers, a Big K-Mart located on Meacham Road. Fortunately, this created only a short-term vacancy for this large retail site since Home Depot, Staples, and Aldi's subsequently announced plans to redevelop this location. Home Depot opened in March 2005 and is reporting better than expected sales. The Village looks forward to the addition of a Panera Bread restaurant in Fall 2005.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to Christine Tromp, Director of Finance, Village of Elk Grove, 901 Wellington Avenue, Elk Grove Village, Illinois, 60007.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2005

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Elk Grove Village Public Library
ASSETS				
Cash and investments	\$ 42,437,593	\$ 7,627,387	\$ 50,064,980	\$ 2,263,937
Receivables (net of allowances)				
Property taxes	6,281,282	-	6,281,282	1,975,017
Accounts	-	1,578,179	1,578,179	-
Accrued interest	45,277	19,607	64,884	-
Other	887,791	-	887,791	-
Prepaid expenses	207,223	5,805	213,028	24,244
Inventory	43,903	3,798	47,701	-
Due from other governments	5,272,483	-	5,272,483	-
Due from developers	-	79,048	79,048	-
Due from other funds	3,783	(3,783)	-	-
Due from fiduciary funds	819,607	-	819,607	-
Due from component units	77,192	-	77,192	-
Deposits with joint venture	-	866,341	866,341	-
Other assets	367,399	-	367,399	600
Due from primary government	-	-	-	38,791
Unamortized bond issuance costs	71,961	-	71,961	-
Unamortized loss on refunding	125,356	-	125,356	-
Net pension asset	3,330,589	-	3,330,589	-
Capital assets				
Non-depreciable	29,613,142	2,044,726	31,657,868	75,679
Depreciable, net of accumulated depreciation	40,156,656	12,722,188	52,878,844	4,018,022
Total assets	129,741,237	24,943,296	154,684,533	8,396,290
LIABILITIES				
Accounts payable	2,395,816	560,196	2,956,012	183,165
Contracts and retainages payable	295,922	-	295,922	-
Accrued wages payable	1,317,556	25,349	1,342,905	43,817
Accrued interest payable	251,310	-	251,310	4,886
Deferred property tax revenue	10,821,945	-	10,821,945	3,334,024
Deferred other revenue	221,284	-	221,284	-
Due to fiduciary funds	63,900	-	63,900	-
Due to component unit	38,791	-	38,791	-
Due to primary government	-	-	-	77,192
Refundable bonds	517,081	-	517,081	-
Deposits payable	-	69,507	69,507	-
Estimated liability for self-insured losses	1,095,772	332,915	1,428,687	-
Other liabilities	201,635	-	201,635	-
Noncurrent liabilities				
Due within one year	3,084,458	-	3,084,458	98,385
Due in more than one year	20,390,000	41,204	20,431,204	24,430
Unamortized bond premium	114,959	-	114,959	-
Total liabilities	40,810,429	1,029,171	41,839,600	3,765,899
NET ASSETS				
Invested in capital assets, net of related debt	51,514,798	14,766,914	66,281,712	4,044,841
Restricted for				
Public safety	671,381	-	671,381	-
Highways and streets	1,196,992	-	1,196,992	-
Health services	475,897	-	475,897	-
Community services	316,260	-	316,260	-
Debt service	1,715,467	-	1,715,467	-
Net pension asset	3,330,589	-	3,330,589	-
Unrestricted	29,709,424	9,147,211	38,856,635	585,550
TOTAL NET ASSETS	\$ 88,930,808	\$ 23,914,125	\$ 112,844,933	\$ 4,630,391

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2005

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 10,249,459	\$ 1,245,027	\$ 1,348,025	\$ -
Public safety	22,526,297	908,508	173,823	-
Highway and streets	10,071,979	1,029,282	1,015,308	1,559,156
Health services	1,302,331	62,699	977,146	-
Community services	216,579	-	-	-
Interest and fiscal charges	1,238,849	-	-	-
Total governmental activities	45,605,494	3,245,516	3,514,302	1,559,156
Business-Type Activities				
Waterworks and sewerage	9,128,532	7,938,690	-	-
Total business-type activities	9,128,532	7,938,690	-	-
TOTAL PRIMARY GOVERNMENT	\$ 54,734,026	\$ 11,184,206	\$ 3,514,302	\$ 1,559,156
COMPONENT UNIT				
Elk Grove Village Public Library	\$ 3,236,427	\$ 246,381	\$ 43,374	\$ -

	Net (Expense) Revenue and Change in Net Assets			
	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Elk Grove Village Public Library
	\$ (7,656,407)	\$ -	\$ (7,656,407)	\$ -
	(21,443,966)	-	(21,443,966)	-
	(6,468,233)	-	(6,468,233)	-
	(262,486)	-	(262,486)	-
	(216,579)	-	(216,579)	-
	(1,238,849)	-	(1,238,849)	-
	(37,286,520)	-	(37,286,520)	-
	-	(1,189,842)	(1,189,842)	-
	-	(1,189,842)	(1,189,842)	-
	(37,286,520)	(1,189,842)	(38,476,362)	-
	-	-	-	(2,946,672)
General Revenues				
Taxes				
Property	11,486,064	-	11,486,064	3,486,544
Sales	13,451,104	-	13,451,104	-
Use	371,476	-	371,476	-
Utility and telecommunications	3,969,459	-	3,969,459	-
Income	2,351,276	-	2,351,276	-
Hotel/motel	976,166	-	976,166	-
Food and beverage	669,319	-	669,319	-
Real estate transfer	1,002,092	-	1,002,092	-
Other	2,981	-	2,981	-
Investment income	1,150,137	117,161	1,267,298	27,404
Miscellaneous	693,177	23,681	716,858	-
Contributions	-	225,000	225,000	-
Total	36,123,251	365,842	36,489,093	3,513,948
CHANGE IN NET ASSETS	(1,163,269)	(824,000)	(1,987,269)	567,276
NET ASSETS, MAY 1	92,687,368	24,560,629	117,247,997	4,063,115
Prior period adjustment	(2,593,291)	177,496	(2,415,795)	-
NET ASSETS, MAY 1, RESTATED	90,094,077	24,738,125	114,832,202	4,063,115
NET ASSETS, APRIL 30	\$ 88,930,808	\$ 23,914,125	\$ 112,844,933	\$ 4,630,391

See accompanying notes to financial statements.

BALANCE SHEET
GOVERNMENTAL FUNDS

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rohliwing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and investments	\$ 10,197,660	\$ 8,043,221	\$ 2,834,082	\$ 9,057,062	\$ -	\$ -	\$ 7,049,870	\$ 37,181,895
Receivables (net of allowances)								
Property taxes	4,542,476	-	1,704,956	29	-	-	33,821	6,281,282
Accrued interest	844	24,045	-	-	-	-	698	25,587
Other	573,830	-	-	-	-	-	313,961	887,791
Prepaid items	140,724	-	-	-	-	-	66,499	207,223
Inventory	43,903	-	-	-	-	-	-	43,903
Due from other governments	3,773,080	757,650	-	659,304	-	-	82,449	5,272,483
Due from other funds	833,688	-	-	16,866	374,730	-	201	1,225,485
Due from component unit	77,192	-	-	-	-	-	-	77,192
Other assets	367,399	-	-	-	-	-	-	367,399
Advances to other funds	5,706,697	-	-	-	-	-	-	5,706,697
TOTAL ASSETS	\$ 26,257,493	\$ 8,824,916	\$ 4,539,038	\$ 9,733,261	\$ 374,730	\$ -	\$ 7,547,499	\$ 57,276,937

TOTAL ASSETS

LIABILITIES AND FUND BALANCES

LIABILITIES

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rohlfwing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
Accounts payable	\$ 893,537	\$ 394,657	\$ -	\$ 122,732	\$ -	\$ 1,392	\$ 983,327	\$ 2,395,645
Contracts and retainages payable	-	139,934	-	142,467	-	-	13,521	295,922
Accrued wages payable	1,310,624	3,343	-	-	-	-	3,589	1,317,556
Deferred property tax revenue	7,567,890	-	2,823,571	-	374,462	-	56,022	10,821,945
Deferred other revenue	158,784	-	-	-	-	-	62,500	221,284
Advances from other funds	-	-	-	-	5,226,908	479,789	-	5,706,697
Due to other funds	438,831	16,866	-	-	1,807	-	35,697	493,201
Due to component unit	38,791	-	-	-	-	-	-	38,791
Refundable bonds	517,081	-	-	-	-	-	-	517,081
Estimated liability for self-insured losses	1,095,772	-	-	-	-	-	-	1,095,772
Other liabilities	185,695	3,649	-	-	-	-	12,291	201,635
Total liabilities	12,207,005	558,449	2,823,571	265,199	5,603,177	481,181	1,166,947	23,105,529

FUND BALANCES

Reserved for prepaid items	140,724	-	-	-	-	-	66,109	206,833
Reserved for inventory	43,903	-	-	-	-	-	-	43,903
Reserved for public safety	-	-	-	-	-	-	671,381	671,381
Reserved for highways and streets	-	-	-	-	-	-	1,196,992	1,196,992
Reserved for health services	-	-	-	-	-	-	475,897	475,897
Reserved for community services	-	-	-	-	-	-	316,260	316,260
Reserved for debt service	-	-	1,715,467	-	-	-	-	1,715,467
Reserved for advances	5,706,697	-	-	-	-	-	-	5,706,697
Unreserved, undesignated	-	-	-	-	-	-	-	-
General Fund	8,159,164	-	-	-	-	-	-	8,159,164
Special Revenue Funds	-	8,266,467	-	-	-	-	2,895,344	11,161,811
Capital Project Funds	-	-	-	9,468,062	(5,228,447)	(481,181)	758,569	4,517,003
Total fund balances (deficit)	14,050,488	8,266,467	1,715,467	9,468,062	(5,228,447)	(481,181)	6,380,552	34,171,408

TOTAL LIABILITIES AND FUND BALANCES

\$ 26,257,493	\$ 8,824,916	\$ 4,539,038	\$ 9,733,261	\$ 374,730	\$ -	\$ 7,547,499	\$ 57,276,937
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See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

April 30, 2005

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 34,171,408
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Amounts reported for governmental activities in the
statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	66,833,870
---	------------

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	(23,643,410)
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The net assets of the internal service fund are included in the governmental activities in the statement of net assets	8,238,351
--	-----------

The net pension asset is not a current financial resource and is therefore not reported in the governmental funds	<u>3,330,589</u>
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NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 88,930,808</u></u>
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See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2005

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rohliwing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	\$ 25,226,905	\$ 1,845,833	\$ 2,797,230	\$ 524,846	\$ 760,504	\$ 6,378	\$ 424,692	\$ 31,586,388
Licenses and permits	1,678,705	-	-	-	-	-	115,779	1,794,484
Intergovernmental	3,375,458	387,805	505,604	-	-	-	2,369,691	6,638,558
Charges for services	415,018	-	-	-	-	-	807,539	1,222,557
Fines	756,830	-	-	-	-	-	1,623	758,453
Investment income	755,804	140,793	30,947	161,346	267	-	59,115	1,148,272
Miscellaneous	505,603	-	-	719,463	-	-	68,447	1,293,513
Total revenues	32,714,323	2,374,431	3,333,781	1,405,655	760,771	6,378	3,846,886	44,442,225
EXPENDITURES								
Current								
General government	3,436,409	-	-	-	-	-	2,512,288	5,948,697
Public safety	22,337,512	-	-	-	-	-	119,570	22,457,082
Highways and streets	5,779,272	4,797,001	-	-	-	-	1,453,381	12,029,654
Health services	531,093	-	-	-	-	-	770,550	1,301,643
Community services	-	-	-	-	-	-	216,462	216,462
Capital outlay	-	-	-	3,132,722	994	4,324,361	28,814	7,486,891
Debt service	-	-	-	-	-	-	-	-
Principal	-	-	2,555,000	-	-	-	-	2,555,000
Interest and fiscal charges	-	-	756,086	-	328,705	207,489	-	1,292,280
Total expenditures	32,084,286	4,797,001	3,311,086	3,132,722	329,699	4,531,850	5,101,065	53,287,709
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	630,037	(2,422,570)	22,695	(1,727,067)	431,072	(4,525,472)	(1,254,179)	(8,845,484)

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rohliwing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	20,108	\$ 20,108
	(20,108)	-	-	-	-	-	-	(20,108)
	-	-	-	-	-	4,250,000	-	4,250,000
	(20,108)	-	-	-	-	4,250,000	20,108	4,250,000
NET CHANGE IN FUND BALANCES	609,929	(2,422,570)	22,695	(1,727,067)	431,072	(275,472)	(1,234,071)	(4,595,484)
FUND BALANCES (DEFICIT), MAY 1	13,440,559	10,689,037	1,692,772	11,195,129	(5,659,519)	(205,709)	7,614,623	38,766,892
FUND BALANCES (DEFICIT), APRIL 30	\$ 14,050,488	\$ 8,266,467	\$ 1,715,467	\$ 9,468,062	\$ (5,228,447)	\$ (481,181)	\$ 6,380,552	\$ 34,171,408

OTHER FINANCING SOURCES (USES)

Transfers in
Transfers (out)
Limited obligation note payable issued

Total other financing sources (uses)

NET CHANGE IN FUND BALANCES

FUND BALANCES (DEFICIT), MAY 1

FUND BALANCES (DEFICIT), APRIL 30

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2005

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (4,595,484)
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Amounts reported for governmental activities in the statement
activities are different because:

Governmental funds report capital outlay as expenditures, however, they are capitalized and depreciated in the statement of activities	6,852,854
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Gains (losses) on the disposal of capital assets is reported in the governmental activities	(53,695)
--	----------

The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(4,250,000)
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The repayment of long-term debt, including payment to escrow agents is reported as an expenditure/other financing use when due in governmental funds but as a reduction of principal outstanding in the statement of activities	2,555,000
--	-----------

Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	(10,295)
---	----------

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Depreciation	(1,912,971)
Change in accrued interest payable	63,726
Change in compensated absences	(45,676)
Change in net pension asset	89,376

The change in net assets of certain activities of internal service funds is in governmental funds	<u>143,896</u>
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CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (1,163,269)</u>
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See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS

April 30, 2005

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
CURRENT ASSETS		
Cash and investments	\$ 7,627,387	\$ 5,255,698
Receivables		
Accounts	1,578,179	-
Accrued interest	19,607	19,690
Prepaid expenses	5,805	-
Inventory	3,798	-
Due from other funds	-	27,206
Due from developers	79,048	-
Total current assets	9,313,824	5,302,594
NONCURRENT ASSETS		
Deposits with joint venture	866,341	-
CAPITAL ASSETS		
Non-depreciable	2,044,726	-
Depreciable, net of accumulated depreciation	12,722,188	2,935,928
Total capital assets	14,766,914	2,935,928
Total assets	24,947,079	8,238,522
CURRENT LIABILITIES		
Accounts payable	560,196	171
Contracts and retainages payable	-	-
Accrued wages	25,349	-
Due to other funds	3,783	-
Deposits payable	69,507	-
Estimated liability for self-insured losses	332,915	-
Total current liabilities	991,750	171
NONCURRENT LIABILITIES		
Accrued vacation liability	41,204	-
Total noncurrent liabilities	41,204	-
Total liabilities	1,032,954	171
NET ASSETS		
Invested in capital assets	14,766,914	2,935,928
Unrestricted	9,147,211	5,302,423
TOTAL NET ASSETS	\$ 23,914,125	\$ 8,238,351

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS

For the Year Ended April 30, 2005

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
OPERATING REVENUES		
Charges for services	\$ 7,787,199	\$ 417,339
Late payment charges	151,491	-
Total operating revenues	7,938,690	417,339
OPERATING EXPENSES		
Administration	1,448,413	768
Water division	6,081,537	-
Sewer division	748,873	-
Storm sewer maintenance	229,416	-
Depreciation	614,793	415,405
Total operating expenses	9,123,032	416,173
OPERATING INCOME (LOSS)	(1,184,342)	1,166
NONOPERATING REVENUES (EXPENSES)		
Investment income	117,161	139,730
Miscellaneous	23,681	-
Gain (loss) on sale of capital assets	(5,500)	3,000
Total nonoperating revenues (expenses)	135,342	142,730
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	(1,049,000)	143,896
CONTRIBUTIONS	225,000	-
CHANGE IN NET ASSETS	(824,000)	143,896
NET ASSETS, MAY 1	24,560,629	8,094,455
Prior period adjustment	177,496	-
NET ASSETS, MAY 1, RESTATED	24,738,125	8,094,455
NET ASSETS, APRIL 30	\$ 23,914,125	\$ 8,238,351

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2005

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 7,858,976	\$ -
Receipts from interfund service transactions	-	417,339
Receipts from miscellaneous revenues	23,681	-
Payments to suppliers	(5,956,467)	(596)
Payments to employees	(1,473,084)	-
Payments for interfund service transactions	(1,015,777)	-
Net cash from operating activities	(562,671)	416,743
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due from other funds	3,290	315,826
Net cash from noncapital financing activities	3,290	315,826
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	119,637	132,074
Proceeds from sale of investments	-	500,000
Net cash from investing activities	119,637	632,074
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from the sale of capital assets	4,200	3,000
Purchase of capital assets	(217,248)	(787,960)
Net cash from capital and related financing activities	(213,048)	(784,960)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(652,792)	579,683
CASH AND CASH EQUIVALENTS, MAY 1	5,351,269	1,251,635
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 4,698,477	\$ 1,831,318

(This statement is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2005

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
RECONCILIATION OF OPERATING INCOME		
(LOSS) TO NET CASH FLOWS FROM		
OPERATING ACTIVITIES		
Operating income (loss)	\$ (1,184,342)	\$ 1,166
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	614,793	415,405
Miscellaneous income	23,681	-
Changes in assets and liabilities		
Accounts receivable	(81,850)	-
Inventories	(3,798)	-
Prepaid expenses	(1,303)	-
Interfund payables for services	(7,670)	-
Accounts payable and retainages	(12,928)	172
Accrued salaries	(3,961)	-
Due to other governments	-	-
Estimated liability for self-insurance	93,099	-
Compensated absences	(528)	-
Deposits	2,136	-
NET CASH FROM OPERATING ACTIVITIES	\$ (562,671)	\$ 416,743
RECONCILIATION TO BALANCE SHEET		
Cash and cash equivalents	\$ 4,698,477	\$ 1,831,318
Investments	2,928,910	3,424,380
TOTAL CASH AND INVESTMENTS	\$ 7,627,387	\$ 5,255,698
NONCASH TRANSACTIONS		
Contributions from other governments	\$ 225,000	\$ -
Unrealized investment gains/losses	(16,410)	13,275
TOTAL NONCASH TRANSACTIONS	\$ 208,590	\$ 13,275

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS

April 30, 2005

ASSETS

Cash and investments	
U.S. government and agency obligations	\$ 49,485,491
Insurance contracts	3,604,916
Equity securities	22,857,244
Money markets	5,612,378
Mutual Funds	3,040,429
Illinois Funds	<u>1,061,262</u>

Total cash and investments	<u>85,661,720</u>
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Receivables	
Accrued interest	285,306
Due from General Fund	<u>63,900</u>

Total receivables	<u>349,206</u>
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Total assets	<u>86,010,926</u>
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LIABILITIES

Accrued benefits payable	14,348
Due to General Fund	<u>819,607</u>

Total liabilities	<u>833,955</u>
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NET ASSETS HELD IN TRUST FOR
PENSION BENEFITS

<u>\$ 85,176,971</u>

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS

For the Year Ended April 30, 2005

ADDITIONS

Contributions

Employer	\$ 1,777,817
Participants	<u>1,193,381</u>

Total contributions	<u>2,971,198</u>
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Investment income

Net appreciation in fair value of investments	2,614,257
Interest income	2,196,572
Less investment expenses	<u>(380,163)</u>

Net investment income	<u>4,430,666</u>
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Total additions	<u>7,401,864</u>
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DEDUCTIONS

Administration	24,759
Pension benefits and refunds	<u>3,743,439</u>

Total deductions	<u>3,768,198</u>
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NET INCREASE	3,633,666
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NET ASSETS HELD IN TRUST
FOR PENSION BENEFITS

May 1	<u>81,543,305</u>
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April 30	<u><u>\$ 85,176,971</u></u>
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See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Elk Grove Village, Illinois (the Village), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below:

a. Reporting Entity

The Village is a municipal corporation governed by an elected mayor and six-member board of trustees. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component unit. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government.

Discretely Presented Component Unit

The Elk Grove Village Public Library (the Library) column in the basic financial statements includes the financial data of the Village's Public Library. It is reported in a separate column to emphasize the Library is legally separate from the Village.

The Library operates and maintains the public library within the Village. The Library's board is elected by the voters of the Village. The Library may not issue bonded debt without the Village's approval, and its annual budget and property tax levy request are subject to the Village Board's approval. The Library is presented as a governmental fund type.

Separately issued financial statements for the Library can be obtained from the Library's administrative offices at 1001 Wellington Avenue, Elk Grove Village, Illinois 60007.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Joint Ventures

Northwest Suburban Municipal Joint Action Water Agency (JAWA) - JAWA is a municipal corporation empowered to construct and maintain a joint water supply system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of JAWA beyond its representation on the Board of Directors. JAWA is reported as an equity proprietary joint venture in the Waterworks and Sewerage Fund.

Solid Waste Agency of Northern Cook County (SWANCC) - SWANCC is a municipal corporation empowered to plan, finance, construct and operate a solid waste disposal system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of SWANCC other than representation on the Board of Directors. SWANCC is reported as a nonequity governmental joint venture.

b. Fund Accounting

The Village uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village and is used to account for all financial resources of the Village unless required to be accounted for in another fund.

The Industrial/Commercial Revitalization Fund is used to account for the Village's industrial and commercial revitalization activities, financed by a tax assessed on telecommunication services.

The Debt Service Fund is used to account for the payment of principal and interest on outstanding general obligation bonds funded by annual tax levies.

The Capital Projects Fund is used to account for the purchase, maintenance or construction of major capital projects in the Village, financed by federal and state grants and proceeds of general obligation bonds.

The Grove Mall Redevelopment Fund is used to account for the redevelopment costs associated with the Grove Mall property.

The Devon/Rohlwing Redevelopment Fund is used to account for the purchase, maintenance and redevelopment expenditures associated with the Rohlwing Grove Shopping Center Property.

The Village reports the following major enterprise funds:

The Waterworks and Sewerage Fund accounts for the provision of water and sewer services to the residents and businesses of the Village financed by user fees.

Additionally, the Village reports the following internal service fund:

The Capital Replacement Fund is used to account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of at least five (5) years, financed by charges to the General, Cable Television and Emergency Management Funds. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services to the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales and telecommunication taxes which use a 90 day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and telecommunication taxes owed to the state at year end, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

The Village reports deferred revenue on its financial statements. Deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures/expenses. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and cash equivalents

For purposes of the statement of cash flows, the Village's proprietary fund types consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. All other investments, including all investments of the pension trust funds, are reported at fair value at April 30. Investments in the Illinois Funds, a money market pool created by the Illinois State Legislature under the control of the Illinois State Treasurer, is reported at \$1 per share value, which equals the Village's fair value of the pool.

Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold for.

f. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered (interfund services). These receivables and payables are classified as "due from other funds" or "due to other funds" on the financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

i. Capital Assets

Capital assets, which include property, plant, equipment and retroactively reported infrastructure assets (e.g., roads, bridges, storm sewers and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs, including street overlays that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Buildings	40-50 years
Machinery and equipment	10-20 years
Licensed vehicles	6-12 years
Underground water and sewer lines/infrastructure	40-60 years

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences - Accrued Vacation Liability

Vested or accumulated vacation leave related to employees that have retired or terminated at year end but are not yet paid out is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested and accumulated vacation leave of the proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" at retirement.

k. Refundable Bonds

Refundable bonds are accounted for in the General Fund. These bonds are cash deposits made by contractors or developers to the Village as security to ensure all construction activities on public right of ways authorized by building permits are completed in accordance with Village requirements.

l. Claims and Judgments

Liabilities resulting from claims and judgments, if any, have been reflected in the financial statements in accordance with GASB Statement Nos. 10 and 30.

m. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt is the book value of the capital assets, net of any debt outstanding that was issued to construct or acquire the capital assets.

o. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses in the effected funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

p. Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account in the fund financial statements which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

2. DEPOSITS AND INVESTMENTS

The Village maintains separate cash accounts for each fund. In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

State statutes and the Village's investment policy authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the United States treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios consisting entirely of securities issued or guaranteed by the United States government, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, guaranteed investment contracts and the Illinois Funds. The Village's two pension funds can also invest in certain non-U.S. obligations, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company separate accounts, mutual funds and equity securities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Deposits

At year-end the carrying amount of the Village's deposits totaled \$8,896,181 and the bank balances totaled \$9,492,711. All bank balances for deposits held at the balance sheet date were covered by federal depository insurance or collateralized with securities held by the Village, or its agent, in the Village's name.

For pension trust funds, the types of deposits authorized and the mix of credit risk categories do not differ significantly from the other funds of the Village.

The Village's investments are categorized to give an indication of the level of risk assumed by the entity at year end.

Category 1 includes investments that are insured (SIPC and/or excess SIPC) or registered or for which the securities are held by the Village, or its agent, in the Village's name.

Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department, or its agents, in the Village's name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or its trust department or agent but not in the Village's name.

	Category			Total
	1	2	3	
U.S. Government Securities	\$ 29,203,318	\$ -	\$ -	\$ 29,203,318
U.S. Agency Securities	31,965,316	-	-	31,965,316
State and local bonds	1,062,490	-	-	1,062,490
Equity Securities	22,857,245	-	-	22,857,245
	<u>\$ 85,088,369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>85,088,369</u>
* Insurance Contracts				3,604,916
* Mutual Funds				22,748,548
* Money Market Mutual Funds				5,616,461
* Illinois Metropolitan Investment Fund				237,313
* Illinois Funds				<u>9,528,265</u>
TOTAL INVESTMENTS				<u>\$ 126,823,872</u>

* Not subject to risk categorization

The pension trust funds own approximately 68% of the investments in Category 1.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES

Property Taxes

The Village is a home-rule community under the 1970 Illinois Constitution and, accordingly, does not have a statutory property tax rate limit.

The Village's property tax is levied each calendar year on all taxable real property located in the Village. The Village must file its tax levy ordinance for the year on or before the last Tuesday in December of each year. Taxes levied in one year become due and payable in two installments, on March 1 and September 1 of the following year. The first installment is an estimated bill equal to one-half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization and any changes from the prior year are reflected in the second installment bill. The levy becomes an enforceable lien against the property as of January 1 of the levy year.

For governmental funds, property taxes collected, which are used to finance the current year's operations, are recognized as revenue. Property taxes collected and uncollected, which are to be used to finance the subsequent year's operations, are reported as net taxes receivable and deferred revenue. The 2005 tax levy, which attached as an enforceable lien on property as of January 1, 2005, has not been recorded as a receivable as of April 30, 2005 as the tax has not yet been levied by the Village and will not be levied until December 2005, and, therefore, the levy is not measurable at April 30, 2005.

Based upon collection histories, the Village has provided an allowance for uncollectible property taxes equivalent to 1% of the current year's levy. All uncollected taxes relating to prior years' levies have been written off.

Due from Other Governments

Due from other governments consist of the following receivables at April 30, 2005:

GOVERNMENTAL ACTIVITIES

Sales tax	\$ 1,793,495
Home rule sales tax	1,466,673
Personal Property Replacement Tax	4,876
Local use tax	101,912
Auto rental tax	826
Motor fuel tax	82,449
Simplified telecommunications tax	760,873
Court fines	83,249
Due from granting agencies	964,611
Other state sources	<u>13,519</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 5,272,483</u>
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VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

The following is a summary of capital asset activity during the fiscal year:

	Beginning Balance, Restated	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 4,816,828	\$ 203,039	\$ 49,375	\$ 4,970,492
Land right of way	24,473,869	352,995	203,039	24,623,825
Construction in process	-	18,825	-	18,825
Total capital assets not being depreciated	29,290,697	574,859	252,414	29,613,142
Capital assets being depreciated				
Buildings and improvements	27,962,737	232,605	-	28,195,342
Vehicles	5,386,792	1,154,614	-	6,541,406
Equipment	3,584,206	-	-	3,584,206
Infrastructure	42,036,641	5,881,772	125,317	47,793,096
Total capital assets being depreciated	78,970,376	7,268,991	125,317	86,114,050
Less accumulated depreciation for				
Buildings and improvements	11,291,028	701,015	-	11,992,043
Vehicles	2,447,749	510,292	-	2,958,041
Equipment	2,566,327	207,442	-	2,773,769
Infrastructure	27,444,910	904,304	115,673	28,233,541
Total accumulated depreciation	43,750,014	2,323,053	115,673	45,957,394
Total capital assets being depreciated, net	35,220,362	4,945,938	9,644	40,156,656
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 64,511,059	\$ 5,520,797	\$ 262,058	\$ 69,769,798
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,977,726	\$ -	\$ -	\$ 1,977,726
Construction in process	-	67,000	-	67,000
Total capital assets not being depreciated	1,977,726	67,000	-	2,044,726
Capital assets being depreciated				
Land improvements	192,622	-	-	192,622
Buildings	4,566,051	-	-	4,566,051
Machinery and equipment	2,461,576	119,082	-	2,580,658
Licensed vehicles	916,285	31,166	26,457	920,994
Underground water and sewer lines	12,952,329	225,000	-	13,177,329
Total capital assets being depreciated	21,088,863	375,248	26,457	21,437,654

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balance, Restated	Increases	Decreases	Ending Balance
BUSINESS-TYPE ACTIVITIES (Continued)				
Less accumulated depreciation for				
Land improvements	\$ 132,297	\$ 7,869	\$ -	\$ 140,166
Buildings	3,006,842	123,132	-	3,129,974
Machinery and equipment	1,256,568	103,661	-	1,360,229
Licensed vehicles	577,190	92,039	16,757	652,472
Underground water and sewer lines	3,144,533	288,092	-	3,432,625
Total accumulated depreciation	8,117,430	614,793	16,757	8,715,466
Total capital assets being depreciated, net	12,971,433	(239,545)	9,700	12,722,188
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 14,949,159	\$ (172,545)	\$ 9,700	\$ 14,766,914

Depreciation expense was charged to the governmental activities functions/programs as follows:

GOVERNMENTAL ACTIVITIES

General government	\$ 67,418
Public safety	475,052
Highways and streets, including depreciation of general infrastructure assets	1,365,178
Internal service fund	415,405

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 2,323,053

5. RISK MANAGEMENT

Self-Insurance Program

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and injuries to the Village's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village is self-insured for the first \$50,000 for property claims, \$50,000 per employee for medical claims, \$100,000 for errors and omissions and \$300,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There have been no significant reductions in insurance coverage during the current year. For all insured programs, settlement amounts have not exceeded insurance coverage for the current or two prior years. The Village's self-insurance activities are reported in the General, Waterworks and Sewerage, Industrial/Commercial Revitalization and Cable Television Funds.

Premiums are paid by the General, Waterworks and Sewerage, Industrial/Commercial Revitalization and Cable Television Funds based upon historical cost estimates. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT (Continued)

Self-Insurance Program (Continued)

A reconciliation of claims liability for the current year and that of the preceding year is reported below.

	Liability	Workers' Compensation	Medical	Total
UNPAID CLAIMS LIABILITY -				
APRIL 30, 2003	\$ 79,436	\$ 340,887	\$ 344,166	\$ 764,489
Claims incurred - current year	53,226	508,427	1,728,834	2,290,487
Claims paid/adjustments - current year	(117,677)	(270,405)	(1,652,673)	(2,040,755)
UNPAID CLAIMS LIABILITY -				
APRIL 30, 2004	14,985	578,909	420,327	1,014,221
Claims incurred - current year	57,268	590,955	2,019,182	2,667,405
Claims paid/adjustments - current year	(30,713)	(241,519)	(1,980,707)	(2,252,939)
UNPAID CLAIMS LIABILITY -				
APRIL 30, 2005	\$ 41,540	\$ 928,345	\$ 458,802	\$ 1,428,687

High-Level Excess Liability Pool (HELP)

The Village is a member of the High-Level Excess Liability Pool (HELP). HELP is an insurance pool consisting of fifteen municipalities in Illinois to provide excess liability coverage (\$10,000,000 of coverage after a \$2,000,000 self-insured retention). The Village's payments to HELP are displayed on the financial statements as expenditures/expenses in appropriate funds.

HELP was organized on April 1, 1987 with the initial agreement extending to April 30, 2008. The purpose of HELP is to act as a joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions and employers' liability made against the members and other parties included within the scope of its coverage.

HELP is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of HELP are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of debt by HELP, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding and the changes in the general long-term debt for the year are as follows:

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Current Portion
\$3,375,000 General Obligation Bonds dated March 15, 2001 due in annual installments of \$285,000 to \$905,000, plus fixed interest at 4.00% through December 1, 2006.	Debt Service	\$ 1,235,000	\$ -	\$ 655,000	\$ 580,000	\$ 285,000
\$5,800,000 General Obligation Bonds dated March 15, 2002 due in annual installments of \$530,000 to \$1,710,000, plus fixed interest at 1.70% to 3.10% through December 1, 2006.	Debt Service	2,450,000	-	1,405,000	1,045,000	515,000
\$9,580,000 General Obligation Bonds dated April 1, 2003 due in annual installments of \$610,000 to \$905,000, plus fixed interest at 2.25% to 5.50% through January 1, 2018.	Debt Service	9,580,000	-	-	9,580,000	610,000
\$7,660,000 General Obligation Refunding Bonds dated September 1, 2003 due in annual installments of \$115,000 to \$1,605,000, plus fixed interest at 2.50% to 4.25% through December 1, 2012.	Debt Service	7,545,000	-	495,000	7,050,000	705,000
TOTAL GENERAL OBLIGATION BONDS		\$20,810,000	\$ -	\$ 2,555,000	\$18,255,000	\$ 2,115,000

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30	Principal	Interest	Total
2006	\$ 2,115,000	\$ 680,614	\$ 2,795,614
2007	2,175,000	621,424	2,796,424
2008	2,245,000	558,663	2,803,663
2009	1,410,000	491,313	1,901,313
2010	1,450,000	445,488	1,895,488
2011	1,505,000	394,738	1,899,738
2012	1,565,000	334,538	1,899,538
2013	1,625,000	271,938	1,896,938
2014	795,000	204,775	999,775
2015	825,000	172,975	997,975
2016	860,000	139,975	999,975
2017	905,000	92,675	997,675
2018	780,000	42,897	822,897
TOTAL	\$ 18,255,000	\$ 4,452,013	\$ 22,707,013

c. Compensated Absences

Changes in other long-term liabilities reported in the governmental activities is as follows:

	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
Redevelopment limited obligation note payable	\$ -	\$ 4,250,000	\$ -	\$ 4,250,000	\$ -
Compensated absences payable	923,782	969,458	923,782	969,458	969,458
TOTAL	\$ 923,782	\$ 5,219,458	\$ 923,782	\$ 5,219,458	\$ 969,458

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Redevelopment Limited Obligation Note Payable

The Village entered into an agreement with certain developers regarding TIF improvement projects. The Village agreed to pledge incremental real estate taxes to secure a note issued to developers to defray the costs of TIF improvements paid for by the developers. The note was issued for the maximum amount of \$4,250,000 in fiscal year 2005. A debt service to maturity schedule has not been finalized.

e. Conduit Debt

The Village has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of April 30, 2005, there were 33 series of IDRBs which were issued and may be outstanding. The aggregate principal amount payable for the bonds could not be determined; however, the original issue amounts of the bonds totaled \$63,025,000.

7. INTERFUND TRANSACTIONS

Due from/to other funds at April 30, 2005 consists of the following:

	Due From	Due To
General		
Grove Mall Redevelopment	\$ 1,807	\$ 374,730
Waterworks and Sewerage	3,783	-
Nonmajor Governmental	8,491	201
Fiduciary	819,607	63,900
Capital Projects		
Industrial/Commercial	16,866	-
Industrial/Commercial		
Capital Projects	-	16,866
Grove Mall Redevelopment		
General	374,730	1,807

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND TRANSACTIONS (Continued)

	Due From	Due To
Waterworks and Sewerage General	\$ -	\$ 3,783
Nonmajor Governmental General	201	8,491
Internal Service	-	27,206
Internal Service General	-	-
Nonmajor Governmental	27,206	-
Fiduciary General	63,900	819,607
TOTAL	\$ 1,316,591	\$ 1,316,591

The purpose of significant due from/to other funds is as follows:

- \$819,607 due to the General Fund is composed of \$414,824 and \$404,783 from Fire and Police Pension, respectively. This amount represents monies received before year end for the 2004 tax levy. The General Fund owes the Fiduciary Funds \$63,900 for member contributions to the pension funds.
- \$374,730 due to the Grove Mall Redevelopment Fund from the General Fund is for the 2004 property taxes levied by the TIF.

Advance From	Advance To	Amount
General	Grove Mall Redevelopment	\$ 5,226,908
General	Devon/Rohlwing Redevelopment	479,789
TOTAL		\$ 5,706,697

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND TRANSACTIONS (Continued)

The purpose of significant advances from/to other funds is as follows:

- \$5,706,697 represents payments of tax increment financing expenditures on behalf of these funds. These amounts will be paid over several years.

Individual fund transfers are as follows:

	Transfers In	Transfers Out
General		
Nonmajor Governmental	\$ -	\$ 21,108
Nonmajor Governmental		
General	21,108	-
TOTAL	\$ 21,108	\$ 21,108

Interfund transfers during the year ended April 30, 2005 consisted of the following:

- Transfer of \$21,108 from the General Fund to the Illinois Municipal Retirement Fund to close the fund.

Deficit Fund Balance

The Emergency Management Fund has a deficit fund balance of \$9,355 as of April 30, 2005. The Village intends to fund this deficit through future tax revenues. The Grove Mall Redevelopment Fund had a deficit balance of \$5,228,447. The Village funds this deficit through annual incremental property taxes. The Devon/Rohlwing Redevelopment Fund had a deficit balance of \$481,181. The Village funds this deficit through annual incremental property taxes.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. COMMITMENTS

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village has committed to purchase water from JAWA. The Village expects to pay the following payments to JAWA:

<u>Fiscal Year Ending April 30</u>	<u>Amount</u>
2006	\$ 2,021,888
2007	2,022,497
2008	2,022,497
2009	2,022,497
2010-2016	<u>15,487,233</u>
TOTAL	<u>\$ 23,576,612</u>

These amounts have been calculated using the Village's current water allocation percentage of 19.44%. In future years, this allocation percentage will be subject to change.

The Village has committed to make payments to SWANCC for solid waste refuse disposal, and expects to pay the following amounts:

<u>Fiscal Year Ending April 30</u>	<u>Amount</u>
2006	\$ 357,844
2007	357,844
2008	357,844
2009	357,844
2010-2015	<u>2,504,235</u>
TOTAL	<u>\$ 3,935,611</u>

This amount has been calculated using the Village's current allocation percentage of 5.78%. In future years, this allocation percentage will be subject to change.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Village's attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

c. High-Level Excess Liability Pool (HELP)

The Village's agreement with HELP provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

d. Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village's water purchase contract with JAWA provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

e. Solid Waste Agency of Northern Cook County (SWANCC)

The Village's contract with SWANCC provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. CONTINGENT LIABILITIES (Continued)

f. Infrastructure Maintenance Fee

Effective January 1, 1998, the Village imposed a municipal telecommunications infrastructure maintenance fee (IMF) on persons in the business of transmitting, supplying, or furnishing telecommunications and all associated services (e.g., telecommunications retailers) in Illinois for the "use of public right-of-ways". The fee was authorized by state statute (35 ILCS 635). In March 2001, a wireless telecommunications provider brought action against an Illinois government challenging the constitutionality of the municipal telecommunications infrastructure maintenance fee. The Illinois Supreme Court (Court) found the IMF to be unconstitutional as applied to wireless carriers. The Court's decision held upon appeal. The municipal IMF fee was eliminated effective December 31, 2002. Potential damages to the Village under this case precedent could aggregate the total of amounts remitted to the Village for IMF by all carriers during the period from January 1, 1998 through December 31, 2002. The Village has accrued liability of \$280,170 for this at April 30, 2005.

10. JOINT VENTURES

a. Northwest Suburban Municipal Joint Action Water Agency (JAWA)

Description of Joint Venture

The Village is a member of the Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). JAWA is empowered under the Act to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchases.

The seven members of JAWA and their percentage shares as of April 30, 2004, are as follows:

	Percent Share
Village of Elk Grove Village	18.9%
Village of Hanover Park	9.1
Village of Hoffman Estates	15.1
Village of Mount Prospect	12.7
City of Rolling Meadows	8.5
Village of Schaumburg	26.3
Village of Streamwood	9.4
TOTAL	100.0%

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. JOINT VENTURES (Continued)

a. Northwest Suburban Municipal Joint Action Water Agency (JAWA) (Continued)

Description of Joint Venture (Continued)

This percentage shares are based on a formula contained in the Water Supply Agreement and are subject to change in future years based on consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the agency agreement, additional members may join JAWA upon the approval of each member.

JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts for sale or purchase of water, adopts resolutions providing for the issuance of Bonds or Notes by JAWA, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws. JAWA started delivering water to the member municipalities in fiscal 1986.

Summary Financial Information of Joint Venture

Complete financial statements for JAWA can be obtained from the agency's administrative office at 903 Brantwood, Elk Grove Village, Illinois 60007.

JAWA covenants to establish fees and charges sufficient to provide revenue to meet all its requirements.

JAWA has entered into Water Supply Agreements with the seven member municipalities for a term of 40 years, extending to December 31, 2022. The agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago (the City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to supply the projected water needs of JAWA through the year 2020.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this agreement.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. JOINT VENTURES (Continued)

a. Northwest Suburban Municipal Joint Action Water Agency (JAWA) (Continued)

Summary Financial Information of Joint Venture (Continued)

The obligation of the Village to make payments required by this agreement from revenues of the Village's Waterworks and Sewerage System shall be payable from the other services and charges account for the Village's Waterworks and Sewerage Fund and from all other accounts of the Village's Waterworks and Sewerage Fund in which there are available funds.

In accordance with the joint venture agreement, the Village remitted \$4,823,916 to JAWA in 2005. The Village's equity interest in JAWA was \$0 at April 30, 2005.

In previous years, the Village, in accordance with APB 18, employed the equity method of accounting for this joint venture. At April 30, 1991, JAWA had a negative retained earnings balance; therefore, as specified by APB 18, the Village's investment in joint venture in the Waterworks and Sewerage Fund has been reduced to zero and the equity method of accounting has been suspended until such time as the joint venture returns to a positive equity position.

b. Solid Waste Agency of Northern Cook County (SWANCC)

Description of Joint Venture

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC), which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWANCC is empowered under the Act to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members.

The members form a contiguous geographic service area which is located northwest of downtown Chicago. Under the agency agreement, additional members may join SWANCC upon the approval of each member.

SWANCC is governed by a Board of Directors which consists of the Mayor or President from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of Bonds or Notes by SWANCC, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. JOINT VENTURES (Continued)

b. Solid Waste Agency of Northern Cook County (SWANCC) (Continued)

Description of Joint Venture (Continued)

The Executive Committee of SWANCC consists of seven members elected by the Board of Directors. Each member is entitled to one vote on the Executive Committee. The Executive Committee may take any action not specifically reserved to the Board of Directors by the Act, SWANCC agreement or the by-laws.

Summary Financial Information of Joint Venture

Complete financial statements for SWANCC can be obtained from the agency's administrative office at 1616 East Golf Road, Des Plaines, Illinois 60016.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC with a claim for payment solely from and secured by a pledge of the revenues of the system and amounts in various funds and accounts established by the agency's resolutions. The Bonds are not a debt of any member. SWANCC has no power to levy taxes.

Revenues of the system consist of (1) all receipts derived from Solid Waste Disposal Contracts or any other contract for the disposal of waste; (2) all income derived from the investment of moneys; and (3) all income, fees, service charges and all grants, rents and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenue to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided in the contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this contract.

The payments required to be made by the Village under this contract are required to be made solely from revenues to be derived by the Village from the operation of the Village's Recycling and Municipal Waste System. The Village is not prohibited by the contract from using any other available funds to make the payments required by the contract. The contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. JOINT VENTURES (Continued)

b. Solid Waste Agency of Northern Cook County (SWANCC) (Continued)

Summary Financial Information of Joint Venture (Continued)

In accordance with the joint venture agreement, the Village remitted \$722,359 to SWANCC in 2005, which is recorded in the Village's Recycling/Municipal Waste System Fund.

11. POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits described, the Village provides post-employment health care and life insurance benefits, in accordance with the personnel policy, to all employees who reach normal retirement age while working for the Village or who meet COBRA requirements. Currently, 50 prior employees meet those eligibility requirements. The retiree pays an annual premium which is equal to the actuarially determined cost for each plan year. Accordingly, no liability has been recorded for post-employment health care benefits. During the year, no expenditures were recognized for post-employment benefits, as the prior employee reimburses 100% of the cost.

12. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighters' pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the previous calendar year ended 2004 was 9.29% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At April 30, 2005, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	40
Current employees	
Vested	71
Nonvested	23
	<hr/>
TOTAL	134
	<hr/>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service costs for the Police Pension Plan. For the year ended April 30, 2005, the Village's contribution was 13.95% of covered payroll.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At April 30, 2005, the Firefighter's Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	59
Current employees	
Vested	52
Nonvested	37
	<hr/>
TOTAL	148

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by 1/12 of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75.00% of such monthly salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and upon reaching the age of at least 55 by 3.00% of the original pension and 3.00% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service costs for the Firefighters' Pension Plan. For the year ended April 30, 2005, the Village's contribution was 15.64% of covered payroll.

b. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net assets for either the Police or the Firefighters' Pension Plans. Information for the IMRF is not available.

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2002	April 30, 2004	April 30, 2004
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	3 Year Average Market Value	3 Year Average Market Value
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Amortization period	28 Years, Closed	29 Years, Closed	29 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	8.00% Compounded Annually	8.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.00% Compounded Annually	5.00% Compounded Annually
c) Additional projected salary increases - seniority/merit	.40 to 11.60%	Not Available	Not Available

Employer annual pension costs (APC), actual contributions and the net pension obligation (asset) (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	For Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2003	\$ 517,984	\$ 600,181	\$ 569,842
	2004	528,607	689,906	718,621
	2005	804,002	802,722	885,719
Actual contribution	2003	\$ 517,984	\$ 667,121	\$ 624,928
	2004	528,607	762,622	771,732
	2005	804,002	859,968	917,849
Percentage of APC contributed	2003	100.0%	111.2%	109.7%
	2004	100.0	110.5	107.4
	2005	100.0	107.1	103.6
NPO (asset)	2003	\$ -	(1,907,014)	(1,208,372)
	2004	-	(1,979,730)	(1,261,483)
	2005	-	(2,036,976)	(1,293,613)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

The NPO (asset) has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 859,772	\$ 922,072
Interest on net pension obligation	(158,378)	(100,919)
Adjustment to annual required contributions	101,328	64,566
Annual pension cost	802,722	885,719
Contributions made	859,968	917,849
Increase (decrease) in net pension obligation (asset)	(57,246)	(32,130)
Net pension obligation (asset) beginning of year	(1,979,730)	(1,261,483)
NET PENSION OBLIGATION (ASSET)		
END OF YEAR	\$ (2,036,976)	\$ (1,293,613)

13. PRIOR PERIOD ADJUSTMENTS

The Village has restated net assets as of May 1, 2004 to a) record capital assets in the proper period, and b) delete capital assets previously recorded in the Waterworks and Sewerage fund.

	Waterworks and Sewerage	Governmental Activities	Business-Type Activities
NET ASSETS, MAY 1 (AS PREVIOUSLY REPORTED)	\$ 24,560,629	\$ 92,687,368	\$ 24,560,629
Restated to:			
a) record capital assets in the proper period	177,496	(2,995,271)	177,496
b) delete capital assets previously recorded in the Waterworks and Sewerage fund	-	401,980	-
Subtotal restatements	177,496	(2,593,291)	177,496
NET ASSETS, MAY 1, RESTATED	\$ 24,738,125	\$ 90,094,077	\$ 24,738,125

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY

The financial statements of the Elk Grove Village Public Library (the Library) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies are described below.

a. Fund Accounting

The Library uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The Library's general fund is classified as a governmental fund.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is the general operating fund of the Library and accounts for all of the Library's operating activities.

b. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Library. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Library reports deferred and/or unearned revenue on its financial statements. Deferred/unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" or "earned" criteria for recognition in the current period. Deferred/unearned revenues also arise when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Library has a legal claim to the resources, the liability for deferred/unearned revenue is removed and revenue is recognized.

d. Investments

Investments with a maturity greater than one year when purchased are stated at fair value at April 30, 2005. Securities traded on national exchanges are at the last reported sale price. Investments with a maturity of one year or less when purchased are reported at cost or amortized cost.

e. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items.

f. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

f. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	10-15
Buildings	5-50
Machinery and equipment	5-20

g. Vacation Benefits

Vested or accumulated vacation and sick leave of governmental activities at the entity-wide level is recorded as an expense and liability as the benefits accrue to employees.

h. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities column. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

i. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt is the book value of the Library's capital assets, net of any debt outstanding that was issued to construct or acquire the capital assets.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

j. Deposits and Investments

State statutes allow the Library to purchase certain obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit and time deposits covered by Federal Depository Insurance, commercial paper of U.S. corporations with assets exceeding \$500,000,000, money market mutual funds, repurchase agreements of governmental securities having the meaning set forth by the Government Securities Act of 1986 and to participate in the Illinois Funds.

At year end, the Library's demand deposits had a carrying amount of \$113,702 and a bank balances of \$164,208. \$64,208 of the bank balances were not covered by federal depository insurance or collateralized with securities held by the Library's agent in the Library's name.

The Library invests in the Illinois Funds. The Library's investment in the Illinois Funds at year end had a carrying amount and market value of \$2,149,836. The Illinois Funds is not subject to risk categorization.

k. Property Taxes

Property taxes for 2004 attach as an enforceable lien on January 1, 2004, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a tax levy ordinance). Taxes levied in one year become due and payable in two installments, on or about March 1 or June 1 and September 1 of the following year.

Property taxes collected which are used to finance the current year's operations are recognized as revenue. Property taxes collected which are used to finance the subsequent year's operations, and net taxes receivable are reported as deferred revenue. The 2005 tax levy, which attached as an enforceable lien on property as of January 1, 2005, has not been recorded as a receivable as of April 30, 2005 as the tax has not yet been levied by the Library and will not be levied until December 2005, and, therefore, the levy is not measurable at April 30, 2005.

Based upon collection histories, the Library has provided an allowance for uncollectible property taxes equivalent to 1% of the current year's levy. All uncollected taxes related to prior years' levies have been written off.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

l. Capital Assets

The following is a summary of capital asset activity during the fiscal year:

	Balances May 1	Additions	Retirements	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 75,679	\$ -	\$ -	\$ 75,679
Total capital assets not being depreciated	75,679	-	-	75,679
Capital assets being depreciated				
Land improvements	206,320	-	-	206,320
Buildings	5,400,614	68,457	-	5,469,071
Machinery and equipment	1,215,345	98,202	5,819	1,307,228
Total capital assets being depreciated	6,822,279	166,659	5,819	6,983,119
Less accumulated depreciation for				
Land improvements	198,121	8,199	-	206,320
Buildings	1,584,602	133,439	-	1,718,041
Machinery and equipment	1,007,301	36,927	3,492	1,040,736
Total accumulated depreciation	2,790,024	178,565	3,492	2,965,097
Total capital assets being depreciated, net	4,032,255	(11,906)	2,327	4,018,022
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 4,107,934	\$ (11,906)	\$ 2,327	\$ 4,093,701

All of the depreciation expense in the statement of activities was charged to the operations function.

m. Long-Term Financing from Primary Government

In 1989, the Village issued bonds to construct a new library facility for the Library. The agreement between the Village and the Library requires the Library to make annual payments to the Village of approximately \$500,000 per year to repay the Village for the bonds. The obligation was retired in the current fiscal year.

n. Installment Contract

The Library approved an installment contract agreement with a software company for the purchase of a software upgrade. The agreement calls for a loan amount of \$73,290 with annual principal and interest payments at 10% due each year on May 1 through maturity at May 1, 2006.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

o. Debt Service to Maturity

Annual payments for repayment of long-term debt are as follows:

<u>Year</u>	<u>Installment Contract</u>
2006	\$ 24,430
2007	24,430
TOTAL PAYMENTS	\$ 48,860

p. Changes in Long-Term Debt

During the year ended April 30, 2005, the following changes occurred in long-term liabilities reported in the governmental activities:

	<u>Balance May 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30</u>	<u>Current Portion</u>
Compensated absences	\$ 74,470	\$ -	\$ 515	\$ 73,955	\$ 73,955
Financing agreement with the Village	505,604	-	505,604	-	-
Installment contract	-	73,290	24,430	48,860	24,430
TOTAL	\$ 580,074	\$ 73,290	\$ 530,549	\$ 122,815	\$ 98,385

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 24,814,338	\$ 24,814,338	\$ 25,226,905	\$ 412,567
Licenses and permits	1,371,125	1,371,125	1,678,705	307,580
Intergovernmental	3,018,134	3,018,134	3,375,458	357,324
Charges for services	315,914	315,914	415,018	99,104
Fines	757,500	757,500	756,830	(670)
Investment income	200,000	200,000	755,804	555,804
Miscellaneous	454,000	454,000	505,603	51,603
Total revenues	30,931,011	30,931,011	32,714,323	1,783,312
EXPENDITURES				
General government	4,268,243	3,294,535	3,436,409	141,874
Public safety	20,782,121	22,063,503	22,337,512	274,009
Highways and streets	5,771,462	6,184,354	5,779,272	(405,082)
Health services	533,572	576,446	531,093	(45,353)
Total expenditures	31,355,398	32,118,838	32,084,286	(34,552)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(424,387)	(1,187,827)	630,037	1,817,864
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(20,108)	20,108
Total other financing sources (uses)	-	-	(20,108)	20,108
NET CHANGE IN FUND BALANCE	\$ (424,387)	\$ (1,187,827)	609,929	\$ (1,797,756)
FUND BALANCE, MAY 1			13,440,559	
FUND BALANCE, APRIL 30			\$ 14,050,488	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
INDUSTRIAL/COMMERCIAL REVITALIZATION FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 1,896,000	\$ 1,896,000	\$ 1,845,833	\$ (50,167)
Intergovernmental	-	-	387,805	387,805
Investment income	125,000	125,000	140,793	15,793
Total revenues	2,021,000	2,021,000	2,374,431	353,431
EXPENDITURES				
Highways and streets				
Personal services	232,677	232,677	214,793	(17,884)
Supplies	17,850	17,850	1,540	(16,310)
Communications	58,430	58,430	2,349	(56,081)
Professional development	1,950	1,950	752	(1,198)
Maintenance service	97,760	105,896	69,670	(36,226)
Other charges	436,650	437,043	50,835	(386,208)
Capital outlay	7,884,440	8,692,107	4,457,062	(4,235,045)
Total expenditures	8,729,757	9,545,953	4,797,001	(4,748,952)
NET CHANGE IN FUND BALANCE	\$ (6,708,757)	\$ (7,524,953)	(2,422,570)	\$ 5,102,383
FUND BALANCE, MAY 1			10,689,037	
FUND BALANCE, APRIL 30			\$ 8,266,467	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2005

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
1999	\$ 19,826,063	\$ 20,169,844	98.3%	\$ 343,781	\$ 7,118,919	4.8%
2000	21,746,607	20,529,439	105.9%	(1,217,168)	7,141,970	(17.0%)
2001	23,261,163	21,743,436	107.0%	(1,517,727)	7,407,348	(20.5%)
2002	22,536,045	23,277,024	96.8%	740,979	7,920,248	9.4%
2003	23,092,779	25,246,976	91.5%	2,154,197	8,233,761	26.2%
2004	24,409,102	27,900,897	87.5%	3,491,795	8,654,488	40.3%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2005

Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
2000	\$ 31,308,384	\$ 32,960,178	95.0%	\$ 1,651,794	\$ 5,082,048	32.5%
2001	33,436,930	36,833,722	90.8%	3,396,792	5,394,162	63.0%
2002	35,189,899	39,883,312	88.2%	4,693,413	5,704,637	82.3%
2003	36,621,334	43,630,009	83.9%	7,008,675	5,896,895	118.9%
2004	38,312,644	45,913,908	83.4%	7,601,264	6,078,630	125.0%
2005	40,419,487	51,508,044	78.5%	11,088,557	6,164,163	179.9%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2005

Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (OAAL) (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2000	\$ 41,675,510	\$ 40,476,159	103.0%	\$ (1,199,351)	\$ 5,206,655	(23.0%)
2001	43,545,584	43,651,926	99.8%	106,342	5,301,272	2.0%
2002	44,440,254	47,042,461	94.5%	2,602,207	5,514,729	47.2%
2003	44,610,192	50,426,157	88.5%	5,815,965	5,485,384	106.0%
2004	45,145,876	52,220,903	86.5%	7,075,027	5,724,054	123.6%
2005	46,186,413	56,902,744	81.2%	10,716,331	5,868,049	182.6%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2005

<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
1999	\$ 708,332	\$ 708,332	100%
2000	643,491	643,491	100%
2001	638,513	638,513	100%
2002	517,984	517,984	100%
2003	528,607	528,607	100%
2004	804,002	804,002	100%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2005

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2000	\$ 552,312	\$ 546,872	101.0%
2001	541,319	548,399	98.7%
2002	548,865	548,399	100.1%
2003	667,121	657,121	101.5%
2004	762,622	746,961	102.1%
2005	859,968	859,772	100.0%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2005

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2000	\$ 252,118	\$ 249,454	101.1%
2001	412,490	503,722	81.9%
2002	430,865	503,722	85.5%
2003	624,928	605,530	103.2%
2004	771,732	754,774	102.2%
2005	917,849	922,072	99.5%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2005

BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles, except the proprietary funds which adopt a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise and Internal Service Funds. All annual appropriations lapse at fiscal year end. As a management and planning tool, budgets are also prepared for the trust funds.

The Village follows the procedures noted below in establishing the budgetary data reflected in the financial statements.

1. The Village Manager submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing them.
2. Public hearings are conducted.
3. The budget is legally enacted by approval of the Board of Trustees.
4. The budget was amended during the year by the Board of Trustees.
5. The level of control (level at which expenditures may not exceed budget) is the department. Management may transfer amounts between line-items so long as the total department budget is not revised. Budget amendments which increase the total amount of a department's budget must be approved by the Village Board.

Excess of Actual Expenditures/Expenses over Budget in Individual Funds/Departments

The Grove Mall Redevelopment Fund had actual expenditures over budget in the amount of \$327,699 for the year ended April 30, 2005.

The Devon/Rohlwing Redevelopment Fund had actual expenditures over budget in the amount of \$4,506,850 for the year ended April 30, 2005.

MAJOR GOVERNMENTAL FUNDS

General Fund

To account for resources traditionally associated with governments that are not required to be accounted for in another fund.

Industrial/Commercial Revitalization Fund

To account for the operations of the Village's industrial and commercial revitalization programs. Financing is provided by a tax assessed on telecommunication services.

Capital Projects Debt Fund

To accumulate monies for payment of General Obligation Bonds. Financing is provided by annual property tax levy. The Village of Elk Grove reports only one (1) debt service fund which includes the series itemized below.

Series 1993 – issued in serial bonds due in annual installments until maturity in 2012. The bonds were issued to advance refund outstanding portions of the Series 1985, 1989 and 1991 General Obligation Bonds.

Series 2001 – issued in serial bonds due in annual installments until maturity in 2006. The bonds were issued to advance refund outstanding Series 1992 General Obligation Bonds.

Series 2002 – issued in serial bonds due in annual installments until maturity in 2006. The bonds were issued to advance refund outstanding 1994 General Obligation Bonds.

Series 2003A – issued in serial bonds due in annual installments until maturity in 2018. The bonds were issued to pay costs of various projects included in the capital improvements plan.

Capital Projects Fund

To account for the purchase, maintenance, or construction of major capital projects in the Village. Projects are financed by federal and state grants and proceeds of General Obligation Bonds.

Grove Mall Redevelopment Fund

To account for the purchase, maintenance, and redevelopment expenditures associated with the Grove Mall property.



The Devon/Rohlwing Redevelopment Fund

To account for the purchase, maintenance, and redevelopment expenditures associated with the Rohlwing Grove Shopping Center property.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES -
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
TAXES				
Current year levy	\$ 6,987,018	\$ 6,987,018	\$ 6,882,350	\$ (104,668)
Prior year levy	-	-	20,589	20,589
Sales and use tax	13,318,725	13,318,725	13,825,561	506,836
Food and beverage tax	663,000	663,000	669,319	6,319
Real estate transfer tax	1,000,000	1,000,000	1,002,092	2,092
Hotel/motel occupancy tax	955,000	955,000	976,166	21,166
Franchise fees - cable	64,800	64,800	66,198	1,398
Franchise fees - other	666,795	666,795	658,585	(8,210)
Telecommunication taxes	1,159,000	1,159,000	1,126,045	(32,955)
Total taxes	24,814,338	24,814,338	25,226,905	412,567
LICENSES AND PERMITS				
Business licenses	155,000	155,000	138,816	(16,184)
Liquor licenses	115,150	115,150	120,150	5,000
Vending machine licenses	41,820	41,820	41,570	(250)
Passenger cars licenses	380,000	380,000	469,618	89,618
Truck licenses	170,500	170,500	238,587	68,087
Motorcycle licenses	2,900	2,900	7,165	4,265
Recreational vehicle licenses	775	775	765	(10)
Senior citizen licenses	1,560	1,560	1,894	334
Dealer licenses	620	620	640	20
Pet licenses	4,800	4,800	5,464	664
Alarm user licenses	38,000	38,000	30,060	(7,940)
Building permit fees	400,000	400,000	560,489	160,489
Engineering permits	20,000	20,000	18,486	(1,514)
Scavenger licenses	40,000	40,000	45,001	5,001
Total licenses and permits	1,371,125	1,371,125	1,678,705	307,580
INTERGOVERNMENTAL				
LLEBG - armor vest	-	-	8,114	8,114
State grant - fire and police training	16,000	16,000	15,421	(579)
State grant - DARE program	500	500	28,442	27,942
State grant - tobacco enforcement	-	-	4,620	4,620
State shared revenue - PPRT	647,434	647,434	838,497	191,063
State shared revenue - income tax	2,239,900	2,239,900	2,351,276	111,376
Township shared revenue - road and bridge current	114,000	114,000	127,687	13,687
Township shared revenue - road and bridge prior	300	300	401	101
Miscellaneous grants	-	-	1,000	1,000
Total intergovernmental	3,018,134	3,018,134	3,375,458	357,324

(This schedule is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
CHARGES FOR SERVICES				
Court reporter/filing fee	\$ 5,000	\$ 5,000	\$ 6,243	\$ 1,243
Engineering fees	91,214	91,214	235,387	144,173
Maps and publications	2,500	2,500	1,213	(1,287)
Elevator inspection fees	16,200	16,200	15,800	(400)
Sign inspection fees	12,000	12,000	13,002	1,002
Off duty detail - fire	400	400	521	121
Off duty detail - police	600	600	1,628	1,028
High school counselor	60,000	60,000	63,518	3,518
Contract fire/ambulance service	26,000	26,000	30,997	4,997
Fire brigade training	6,800	6,800	10,020	3,220
CPF training	2,000	2,000	3,070	1,070
Police report copies	11,000	11,000	9,700	(1,300)
Jr high school counselor	60,000	60,000	-	(60,000)
Fire reinspection fees	5,000	5,000	2,700	(2,300)
Immunization fees	16,000	16,000	16,299	299
Health reinspection fees	1,200	1,200	1,400	200
Firefighter test fees	-	-	3,520	3,520
Total charges for services	315,914	315,914	415,018	99,104
FINES AND FORFEITS				
Circuit court fines	445,000	445,000	416,107	(28,893)
DUI fines	10,000	10,000	12,655	2,655
Local ordinance fines	235,000	235,000	248,149	13,149
False alarm fines	67,000	67,000	61,950	(5,050)
Other fines and forfeits	500	500	17,969	17,469
Total fines and forfeits	757,500	757,500	756,830	(670)
INTEREST				
Interest on investments	200,000	200,000	746,988	546,988
Interest on sales tax	-	-	6,708	6,708
Interest on property tax	-	-	2,108	2,108
Total interest	200,000	200,000	755,804	555,804
MISCELLANEOUS				
Miscellaneous revenue - other	70,500	70,500	96,240	25,740
Sales of surplus property	30,000	30,000	13,164	(16,836)
Property rental	307,500	307,500	330,471	22,971
Nonrevenue receipts - other	6,000	6,000	20,513	14,513
Reimbursement of expenditures	40,000	40,000	43,550	3,550
Contributions - miscellaneous	-	-	1,665	1,665
Total miscellaneous	454,000	454,000	505,603	51,603
TOTAL REVENUES	\$ 30,931,011	\$ 30,931,011	\$ 32,714,323	\$ 1,783,312

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Village Board				
Personal services	\$ 286,943	\$ 304,775	\$ 304,576	\$ (199)
Supplies	14,700	11,652	11,515	(137)
Communication	17,375	10,650	9,448	(1,202)
Professional development	197,286	172,413	171,705	(708)
Maintenance service	1,875	1,425	621	(804)
Other charges	435,220	515,700	551,873	36,173
Capital outlay	-	1,150	964	(186)
Subtotal Village Board	953,399	1,017,765	1,050,702	32,937
Reimbursement from Waterworks and Sewerage	(239,041)	(239,041)	(239,041)	-
Total Village Board	714,358	778,724	811,661	32,937
Boards and Commissions				
Personal services	18,567	17,485	17,366	(119)
Supplies	285	415	373	(42)
Communication	15,250	14,635	4,066	(10,569)
Professional development	390	390	375	(15)
Maintenance service	450	450	52	(398)
Other charges	47,525	47,525	35,820	(11,705)
Total Boards and Commissions	82,467	80,900	58,052	(22,848)
Village Clerk				
Personal services	163,815	174,747	174,722	(25)
Supplies	1,750	1,750	1,610	(140)
Communication	2,850	3,375	2,575	(800)
Professional development	3,280	2,035	1,638	(397)
Maintenance service	3,510	3,510	2,083	(1,427)
Other charges	10,100	9,110	5,299	(3,811)
Subtotal Village Clerk	185,305	194,527	187,927	(6,600)
Reimbursement from Waterworks and Sewerage	(46,460)	(46,460)	(46,460)	-
Total Village Clerk	138,845	148,067	141,467	(6,600)

(This schedule is continued on the following pages.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)				
Village Manager				
Personal services	\$ 788,143	\$ 830,138	\$ 831,072	\$ 934
Supplies	23,850	31,000	30,909	(91)
Communication	7,875	5,136	4,897	(239)
Professional development	13,020	7,990	7,647	(343)
Maintenance service	2,620	1,893	1,466	(427)
Other charges	5,275	28,572	28,578	6
Capital outlay	200	560	544	(16)
Subtotal Village Manager	840,983	905,289	905,113	(176)
Reimbursement from Waterworks and Sewerage	(193,343)	(193,343)	(193,343)	-
Total Village Manager	647,640	711,946	711,770	(176)
Finance				
Personal services	1,330,417	1,366,228	1,325,249	(40,979)
Supplies	12,578	16,751	15,194	(1,557)
Communication	146,750	145,125	129,113	(16,012)
Professional development	12,950	13,110	6,721	(6,389)
Maintenance service	66,792	65,457	61,184	(4,273)
Other charges	1,495,310	347,626	283,505	(64,121)
Capital outlay	48,281	48,746	41,338	(7,408)
Debt service	3,000	3,000	282,300	279,300
Subtotal finance	3,116,078	2,006,043	2,144,604	138,561
Reimbursement from Waterworks and Sewerage	(431,145)	(431,145)	(431,145)	-
Total finance	2,684,933	1,574,898	1,713,459	138,561
Total general government	4,268,243	3,294,535	3,436,409	141,874
PUBLIC SAFETY				
Fire				
Personal services	8,918,859	9,350,245	9,774,127	423,882
Supplies	135,070	142,938	137,008	(5,930)
Communication	18,330	24,390	24,293	(97)
Professional development	93,525	60,806	54,303	(6,503)
Maintenance service	130,775	116,462	108,247	(8,215)
Other charges	215,780	492,732	622,456	129,724
Capital outlay	392,464	405,706	382,437	(23,269)
Total fire	9,904,803	10,593,279	11,102,871	509,592

(This schedule is continued on the following pages.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)				
Police				
Personal services	\$ 9,522,685	\$ 9,850,123	\$ 9,666,017	\$ (184,106)
Supplies	182,930	181,426	171,155	(10,271)
Communication	36,960	36,960	34,968	(1,992)
Professional development	124,785	85,725	80,191	(5,534)
Maintenance service	59,420	57,203	41,056	(16,147)
Other charges	505,238	810,920	811,449	529
Capital outlay	445,300	447,867	429,805	(18,062)
Total police	10,877,318	11,470,224	11,234,641	(235,583)
Total public safety	20,782,121	22,063,503	22,337,512	274,009
HIGHWAYS AND STREETS				
Engineering				
Personal services	1,298,813	1,346,445	1,281,383	(65,062)
Supplies	14,350	15,320	13,660	(1,660)
Communication	4,800	5,405	5,369	(36)
Professional development	5,699	5,659	3,610	(2,049)
Maintenance service	10,140	9,915	7,563	(2,352)
Other charges	19,575	42,803	33,413	(9,390)
Capital outlay	6,875	5,775	3,284	(2,491)
Total engineering	1,360,252	1,431,322	1,348,282	(83,040)
Streets				
Personal services	2,932,719	3,008,540	2,869,196	(139,344)
Supplies	354,200	368,630	324,023	(44,607)
Communication	9,250	9,735	9,515	(220)
Professional development	7,495	7,525	5,762	(1,763)
Maintenance service	829,775	840,933	666,074	(174,859)
Other charges	233,960	469,428	517,412	47,984
Capital outlay	141,929	146,359	137,126	(9,233)
Subtotal streets	4,509,328	4,851,150	4,529,108	(322,042)
Reimbursement from Waterworks and Sewerage	(98,118)	(98,118)	(98,118)	-
Total streets	4,411,210	4,753,032	4,430,990	(322,042)
Total highways and streets	5,771,462	6,184,354	5,779,272	(405,082)

(This schedule is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
HEALTH SERVICES				
Personal services	\$ 493,232	\$ 512,474	\$ 480,476	\$ (31,998)
Supplies	21,850	21,235	16,978	(4,257)
Communication	2,240	3,214	2,723	(491)
Professional development	5,300	5,904	3,419	(2,485)
Maintenance service	2,245	2,185	1,022	(1,163)
Other charges	7,355	30,084	25,362	(4,722)
Capital outlay	1,350	1,350	1,113	(237)
Total health services	533,572	576,446	531,093	(45,353)
TOTAL EXPENDITURES	\$ 31,355,398	\$ 32,118,838	\$ 32,084,286	\$ (34,552)

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 2,833,536	\$ 2,833,536	\$ 2,797,230	\$ (36,306)
Intergovernmental	505,605	505,605	505,604	(1)
Investment income	-	-	30,947	30,947
Total revenues	3,339,141	3,339,141	3,333,781	(5,360)
EXPENDITURES				
Debt service				
Principal				
2001 General Obligation Bonds	655,000	655,000	655,000	-
2002 General Obligation Bonds	1,405,000	1,405,000	1,405,000	-
2003B General Obligation Refunding Bonds	495,000	495,000	495,000	-
Interest and fiscal charges				
2001 General Obligation Bonds	49,400	49,400	49,400	-
2002 General Obligation Bonds	65,530	65,530	65,530	-
2003A General Obligation Bonds	387,357	387,357	387,356	(1)
2003B General Obligation Refunding Bonds	253,800	253,800	253,800	-
Total expenditures	3,311,087	3,311,087	3,311,086	(1)
NET CHANGE IN FUND BALANCE	\$ 28,054	\$ 28,054	22,695	\$ 5,359
FUND BALANCE, MAY 1			1,692,772	
FUND BALANCE, APRIL 30			\$ 1,715,467	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 303,000	\$ 303,000	\$ 524,846	\$ 221,846
Investment income	25,000	25,000	161,346	136,346
Miscellaneous	857,592	857,592	719,463	(138,129)
Total revenues	1,185,592	1,185,592	1,405,655	220,063
EXPENDITURES				
Capital outlay				
Finance	-	-	3,500	3,500
Fire	14,750	15,250	9,542	(5,708)
Engineering	3,435,000	5,019,626	3,112,110	(1,907,516)
Streets	10,265	10,265	7,570	(2,695)
Total expenditures	3,460,015	5,045,141	3,132,722	(1,912,419)
NET CHANGE IN FUND BALANCE	\$ (2,274,423)	\$ (3,859,549)	(1,727,067)	\$ 2,132,482
FUND BALANCE, MAY 1			11,195,129	
FUND BALANCE, APRIL 30			\$ 9,468,062	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GROVE MALL REDEVELOPMENT FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 855,000	\$ 855,000	\$ 760,504	\$ (94,496)
Investment income	100	100	267	167
Total revenues	855,100	855,100	760,771	(94,329)
EXPENDITURES				
Capital outlay				
Engineering	2,000	2,000	994	(1,006)
Interest	-	-	328,705	328,705
Total expenditures	2,000	2,000	329,699	327,699
NET CHANGE IN FUND BALANCE	<u>\$ 853,100</u>	<u>\$ 853,100</u>	431,072	<u>\$ (422,028)</u>
FUND BALANCE (DEFICIT), MAY 1			(5,659,519)	
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (5,228,447)</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEVON/ROHLWING REDEVELOPMENT FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 50,000	\$ 50,000	\$ 6,378	\$ (43,622)
Investment income	50	50	-	(50)
Total revenues	50,050	50,050	6,378	(43,672)
EXPENDITURES				
Capital outlay				
Mayor and board	25,000	25,000	4,324,361	4,299,361
Interest	-	-	207,489	207,489
Total expenditures	25,000	25,000	4,531,850	4,506,850
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	25,050	25,050	(4,525,472)	(4,550,522)
OTHER FINANCING SOURCES (USES)				
Limited obligation note payable issued	-	-	4,250,000	-
Total other financing sources (uses)	-	-	4,250,000	-
NET CHANGE IN FUND BALANCE	\$ 25,050	\$ 25,050	(275,472)	\$ (4,550,522)
FUND BALANCE (DEFICIT), MAY 1			(205,709)	
FUND BALANCE (DEFICIT), APRIL 30			\$ (481,181)	

(See independent auditor's report.)

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Illinois Municipal Retirement Fund

To account for the accumulation of resources to be used as expenditures to the Illinois Municipal Retirement Fund, which will be used to pay retirement benefits. In accordance with GASB 34, this fund will be closed out, and expenses will be reflected throughout various other funds.

Emergency Management Fund

To account for the operations and training of emergency management personnel and equipment. Financing is provided by a specific annual property tax levy.

Motor Fuel Tax Fund

To account for the operations of street maintenance as approved by the Illinois Department of Transportation. Financing is provided by the Village's share of state gasoline taxes.

Municipal Purpose Fund

To account for the installation of traffic signals and other municipal improvements within the Village. Financing is provided by contributions from developers.

Recycling/Municipal Waste System

To account for the operations of the Village's solid waste and recycling programs. Revenue is generated by tipping fees paid by the waste hauler and the sale of recycled materials.

Asset Seizure

To account for the operations of law enforcement asset seizures and forfeitures. Financing is provided by the confiscation of criminal assets under guidelines established by State of Illinois Compiled Statutes Chapter 56 ½, Paragraph 15.05, and/or United States Title 21, USC 881. State law requires monies received under Paragraph 15.05 be used for drug related law enforcement. Monies from federal seizure can be used for any general law enforcement purpose.

Foreign Fire Insurance Tax Fund

To account for receipts and disbursement of Foreign Fire Insurance Tax funds.

Cable Television Fund

To account for the operations of the Village's cable television station. Channel 6 funding is provided by cable franchise fees.



Legal Defense Fund

To account for the operations to defend the Village from unwarranted taking of public land and private property currently within the corporate limits of the Village. Financing is provided by contributions from various sources.

Capital Projects Funds**Residential Enhancement Fund**

To account for the operations of the Village's Residential Enhancement Programs adopted by the Village Board of Trustees in December of 2000. Financing is provided by contributions from other funds.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2005

	Special Revenue			
	Illinois Municipal Retirement	Emergency Management	Motor Fuel Tax	Municipal Purpose
ASSETS				
Cash and investments	\$ -	\$ 18,384	\$ 1,423,222	\$ 77,836
Receivables				
Property taxes	-	33,821	-	-
Accrued interest	-	10	-	-
Other	-	-	-	-
Prepaid items	-	390	-	-
Due from other governments	-	-	82,449	-
Due from other funds	-	-	-	-
TOTAL ASSETS	\$ -	\$ 52,605	\$ 1,505,671	\$ 77,836
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 5,154	\$ 295,158	\$ -
Contracts and retainage payable	-	-	13,521	-
Accrued wages	-	784	-	-
Deferred property tax revenue	-	56,022	-	-
Other deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	-	61,960	308,679	-
FUND BALANCES				
Reserved for prepaid items	-	-	-	-
Reserved for public safety	-	-	-	-
Reserved for highways and streets	-	-	1,196,992	-
Reserved for health services	-	-	-	-
Reserved for community services	-	-	-	-
Unreserved, undesignated (deficit) - special revenue	-	(9,355)	-	77,836
Unreserved, undesignated (deficit) - capital projects	-	-	-	-
Total fund balances (deficit)	-	(9,355)	1,196,992	77,836
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 52,605	\$ 1,505,671	\$ 77,836

Recycling/ Municipal Waste System	Special Revenue			Capital Projects		Total Nonmajor Governmental
	Asset Seizure	Foreign Fire Insurance Tax	Cable Television	Legal Defense	Residential Enhancement	
\$ 478,948	\$ 37,776	\$ 645,037	\$ 300,877	\$ 3,238,333	\$ 829,457	\$ 7,049,870
-	-	-	-	-	-	33,821
346	-	-	150	-	192	698
7,993	-	-	46,400	259,568	-	313,961
66,109	-	-	-	-	-	66,499
-	-	-	-	-	-	82,449
-	-	201	-	-	-	201
<u>\$ 553,396</u>	<u>\$ 37,776</u>	<u>\$ 645,238</u>	<u>\$ 347,427</u>	<u>\$ 3,497,901</u>	<u>\$ 829,649</u>	<u>\$ 7,547,499</u>
\$ 1,719	\$ 224	\$ 7,076	\$ 1,156	\$ 664,260	\$ 8,580	\$ 983,327
-	-	-	-	-	-	13,521
-	-	-	2,805	-	-	3,589
-	-	-	-	-	-	56,022
-	-	-	-	-	62,500	62,500
-	1,600	113	27,206	6,778	-	35,697
9,671	2,620	-	-	-	-	12,291
<u>11,390</u>	<u>4,444</u>	<u>7,189</u>	<u>31,167</u>	<u>671,038</u>	<u>71,080</u>	<u>1,166,947</u>
66,109	-	-	-	-	-	66,109
-	33,332	638,049	-	-	-	671,381
-	-	-	-	-	-	1,196,992
475,897	-	-	-	-	-	475,897
-	-	-	316,260	-	-	316,260
-	-	-	-	2,826,863	-	2,895,344
-	-	-	-	-	758,569	758,569
<u>542,006</u>	<u>33,332</u>	<u>638,049</u>	<u>316,260</u>	<u>2,826,863</u>	<u>758,569</u>	<u>6,380,552</u>
<u>\$ 553,396</u>	<u>\$ 37,776</u>	<u>\$ 645,238</u>	<u>\$ 347,427</u>	<u>\$ 3,497,901</u>	<u>\$ 829,649</u>	<u>\$ 7,547,499</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2005

	Special Revenue			
	Illinois Municipal Retirement	Emergency Management	Motor Fuel Tax	Municipal Purpose
REVENUES				
Taxes	\$ -	\$ 48,745	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	6,116	1,015,308	-
Charges for services	-	-	-	-
Fines	-	-	-	-
Investment income	-	105	21,542	1,628
Miscellaneous	-	2,000	-	-
Total revenues	-	56,966	1,036,850	1,628
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	65,336	-	-
Highways and streets	-	-	1,453,381	-
Health services	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	65,336	1,453,381	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(8,370)	(416,531)	1,628
OTHER FINANCING SOURCES (USES)				
Transfers in	20,108	-	-	-
Total other financing sources (uses)	20,108	-	-	-
NET CHANGE IN FUND BALANCES	20,108	(8,370)	(416,531)	1,628
FUND BALANCES (DEFICIT), MAY 1	(20,108)	(985)	1,613,523	76,208
FUND BALANCES (DEFICIT), APRIL 30	\$ -	\$ (9,355)	\$ 1,196,992	\$ 77,836

Special Revenue				Capital Projects		
Recycling/ Municipal Waste System	Asset Seizure	Foreign Fire Insurance Tax	Cable Television	Legal Defense	Residential Enhancement	Total Nonmajor Governmental
\$ -	\$ -	\$ 103,151	\$ 272,796	\$ -	\$ -	\$ 424,692
115,779	-	-	-	-	-	115,779
-	-	-	-	1,348,267	-	2,369,691
807,539	-	-	-	-	-	807,539
-	1,623	-	-	-	-	1,623
5,064	576	9,101	3,749	-	17,350	59,115
58,827	-	-	3,620	-	4,000	68,447
987,209	2,199	112,252	280,165	1,348,267	21,350	3,846,886
-	-	-	-	2,512,288	-	2,512,288
-	6,873	47,361	-	-	-	119,570
-	-	-	-	-	-	1,453,381
770,550	-	-	-	-	-	770,550
-	-	-	216,462	-	-	216,462
1,719	-	-	-	-	27,095	28,814
772,269	6,873	47,361	216,462	2,512,288	27,095	5,101,065
214,940	(4,674)	64,891	63,703	(1,164,021)	(5,745)	(1,254,179)
-	-	-	-	-	-	20,108
-	-	-	-	-	-	20,108
214,940	(4,674)	64,891	63,703	(1,164,021)	(5,745)	(1,234,071)
327,066	38,006	573,158	252,557	3,990,884	764,314	7,614,623
\$ 542,006	\$ 33,332	\$ 638,049	\$ 316,260	\$ 2,826,863	\$ 758,569	\$ 6,380,552

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
None	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	20,108	20,108
Total other financing sources (uses)	-	-	20,108	20,108
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>20,108</u>	<u>\$ 20,108</u>
FUND BALANCE (DEFICIT), MAY 1			<u>(20,108)</u>	
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ -</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EMERGENCY MANAGEMENT FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 46,189	\$ 46,189	\$ 48,745	\$ 2,556
Intergovernmental	-	-	6,116	6,116
Investment income	-	-	105	105
Miscellaneous	-	-	2,000	2,000
Total revenues	46,189	46,189	56,966	10,777
EXPENDITURES				
Public safety				
Personal services	52,694	52,998	53,781	783
Supplies	330	326	77	(249)
Communication	2,964	2,964	2,964	-
Professional development	250	250	195	(55)
Maintenance service	4,295	3,995	5,737	1,742
Capital outlay	-	55,980	2,582	(53,398)
Total expenditures	60,533	116,513	65,336	(51,177)
NET CHANGE IN FUND BALANCE	\$ (14,344)	\$ (70,324)	(8,370)	\$ 61,954
FUND BALANCE (DEFICIT), MAY 1			(985)	
FUND BALANCE (DEFICIT), APRIL 30			\$ (9,355)	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 1,032,300	\$ 1,032,300	\$ 1,015,308	\$ (16,992)
Investment income	20,000	20,000	21,542	1,542
Total revenues	1,052,300	1,052,300	1,036,850	(15,450)
EXPENDITURES				
Highways and streets				
Supplies	88,050	88,050	55,118	(32,932)
Maintenance service	1,545,278	1,545,278	1,398,263	(147,015)
Total expenditures	1,633,328	1,633,328	1,453,381	(179,947)
NET CHANGE IN FUND BALANCE	\$ (581,028)	\$ (581,028)	(416,531)	\$ 164,497
FUND BALANCE, MAY 1			1,613,523	
FUND BALANCE, APRIL 30			\$ 1,196,992	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MUNICIPAL PURPOSE FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment income	\$ 1,000	\$ 1,000	\$ 1,628	\$ 628
Total revenues	1,000	1,000	1,628	628
EXPENDITURES				
Capital outlay	40,000	40,000	-	(40,000)
NET CHANGE IN FUND BALANCE	<u>\$ (39,000)</u>	<u>\$ (39,000)</u>	1,628	<u>\$ (39,372)</u>
FUND BALANCE, MAY 1			<u>76,208</u>	
FUND BALANCE, APRIL 30			<u>\$ 77,836</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RECYCLING/MUNICIPAL WASTE SYSTEM FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Licenses and permits	\$ 120,000	\$ 120,000	\$ 115,779	\$ (4,221)
Charges for services	788,400	788,400	807,539	19,139
Investment income	5,000	5,000	5,064	64
Miscellaneous	53,250	53,250	58,827	5,577
Total revenues	966,650	966,650	987,209	20,559
EXPENDITURES				
Health services				
Supplies	9,050	42,649	41,941	(708)
Communication	1,600	800	-	(800)
Other charges	832,450	832,450	728,609	(103,841)
Capital outlay	-	2,000	1,719	(281)
Total expenditures	843,100	877,899	772,269	(105,630)
NET CHANGE IN FUND BALANCE	\$ 123,550	\$ 88,751	214,940	\$ 126,189
FUND BALANCE, MAY 1			327,066	
FUND BALANCE, APRIL 30			\$ 542,006	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET SEIZURE FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Fines	\$ 500	\$ 500	\$ 1,623	\$ 1,123
Investment income	500	500	576	76
Total revenues	1,000	1,000	2,199	1,199
EXPENDITURES				
Public safety				
Supplies	1,000	1,000	933	(67)
Professional development	13,667	13,667	4,699	(8,968)
Maintenance service	-	210	210	-
Other charges	7,000	7,000	526	(6,474)
Capital outlay	3,612	3,402	505	(2,897)
Total expenditures	25,279	25,279	6,873	(18,406)
NET CHANGE IN FUND BALANCE	<u>\$ (24,279)</u>	<u>\$ (24,279)</u>	(4,674)	<u>\$ 19,605</u>
FUND BALANCE, MAY 1			<u>38,006</u>	
FUND BALANCE, APRIL 30			<u>\$ 33,332</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE TAX FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 109,000	\$ 109,000	\$ 103,151	\$ (5,849)
Investment income	3,000	3,000	9,101	6,101
Total revenues	112,000	112,000	112,252	252
EXPENDITURES				
Public safety				
Supplies	4,100	4,396	2,652	(1,744)
Communication	-	399	380	(19)
Maintenance service	5,000	5,000	1,327	(3,673)
Professional development	24,500	23,305	5,192	(18,113)
Other charges	8,000	7,700	800	(6,900)
Capital outlay	34,300	53,100	37,010	(16,090)
Total expenditures	75,900	93,900	47,361	(46,539)
NET CHANGE IN FUND BALANCE	<u>\$ 36,100</u>	<u>\$ 18,100</u>	64,891	<u>\$ 46,791</u>
FUND BALANCE, MAY 1			<u>573,158</u>	
FUND BALANCE, APRIL 30			<u>\$ 638,049</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CABLE TELEVISION FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 259,200	\$ 259,200	\$ 272,796	\$ 13,596
Investment income	1,500	1,500	3,749	2,249
Miscellaneous	-	-	3,620	3,620
Total revenues	260,700	260,700	280,165	19,465
EXPENDITURES				
Community services				
Personal services	184,848	184,823	166,878	(17,945)
Supplies	7,300	8,373	6,323	(2,050)
Communication	4,400	5,475	4,552	(923)
Professional development	870	825	520	(305)
Maintenance service	7,800	5,693	4,069	(1,624)
Other charges	18,000	17,722	10,655	(7,067)
Capital outlay	27,153	27,460	23,465	(3,995)
Total expenditures	250,371	250,371	216,462	(33,909)
NET CHANGE IN FUND BALANCE	\$ 10,329	\$ 10,329	63,703	\$ 53,374
FUND BALANCE, MAY 1			252,557	
FUND BALANCE, APRIL 30			\$ 316,260	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LEGAL DEFENSE FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,348,267	\$ 1,348,267
Total revenues	-	-	1,348,267	1,348,267
EXPENDITURES				
General government				
Communication	60,000	60,000	7,346	(52,654)
Other charges	3,240,000	3,240,000	2,504,942	(735,058)
Total expenditures	3,300,000	3,300,000	2,512,288	(787,712)
NET CHANGE IN FUND BALANCE	<u>\$ (3,300,000)</u>	<u>\$ (3,300,000)</u>	(1,164,021)	<u>\$ 2,135,979</u>
FUND BALANCE, MAY 1			<u>3,990,884</u>	
FUND BALANCE, APRIL 30			<u>\$ 2,826,863</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RESIDENTIAL ENHANCEMENT FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment income	\$ 40,000	\$ 40,000	\$ 17,350	\$ (22,650)
Miscellaneous	-	-	4,000	4,000
Total revenues	40,000	40,000	21,350	(18,650)
EXPENDITURES				
Capital outlay				
Engineering				
Professional services	335,000	335,000	27,095	(307,905)
Total expenditures	335,000	335,000	27,095	(307,905)
NET CHANGE IN FUND BALANCE	\$ (295,000)	\$ (295,000)	(5,745)	\$ 289,255
FUND BALANCE, MAY 1			764,314	
FUND BALANCE, APRIL 30			\$ 758,569	

(See independent auditor's report.)

PROPRIETARY FUNDS

Enterprise Fund

Waterworks and Sewerage Fund

To account for the provision of water and sewer services to the residents and businesses of the Village. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collection.

Internal Service Fund

Capital Replacement Fund

To account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of at least five (5) years, financed by charges to the general funds. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services to the Village's governmental funds/activities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING AND NONOPERATING REVENUES -
BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
CHARGES FOR SERVICES				
Water division				
Metered water revenue	\$ 6,820,000	\$ 6,820,000	\$ 6,520,081	\$ (299,919)
Water connection fees	50,000	50,000	109,655	59,655
Inspection fees	5,000	5,000	5,065	65
Other water revenue	8,000	8,000	16,479	8,479
Total water division	6,883,000	6,883,000	6,651,280	(231,720)
Sewer division				
Metered water revenue	1,141,300	1,141,300	1,098,900	(42,400)
Sewer connection fees	250	250	375	125
Other sewer revenue	35,500	35,500	36,644	1,144
Total sewer division	1,177,050	1,177,050	1,135,919	(41,131)
Total charges for services	8,060,050	8,060,050	7,787,199	(272,851)
Late payment charges	130,000	130,000	151,491	21,491
TOTAL OPERATING REVENUES	\$ 8,190,050	\$ 8,190,050	\$ 7,938,690	\$ (251,360)
NONOPERATING REVENUES				
Investment income	\$ 100,000	\$ 100,000	\$ 117,161	\$ 17,161
Contributions	-	-	225,000	225,000
Miscellaneous	13,000	13,000	23,681	10,681
Gain (loss) on disposal of assets	-	-	(5,500)	(5,500)
TOTAL NONOPERATING REVENUES	\$ 113,000	\$ 113,000	\$ 360,342	\$ 247,342

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING EXPENDITURES -
BUDGET (NON-GAAP BASIS) AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADMINISTRATION				
Personnel services	\$ 343,314	\$ 337,324	\$ 194,481	\$ (142,843)
Other charges	1,341,532	1,346,418	1,253,932	(92,486)
Capital outlays	-	-	-	-
Subtotal	1,684,846	1,683,742	1,448,413	(235,329)
Less fixed assets capitalized	-	-	-	-
Total administration	1,684,846	1,683,742	1,448,413	(235,329)
WATER DIVISION				
Personal services	665,126	671,116	685,259	14,143
Supplies	123,900	122,898	98,296	(24,602)
Communication	5,360	5,815	5,597	(218)
Professional development	1,850	1,850	1,674	(176)
Maintenance service	150,501	358,983	296,267	(62,716)
Other charges	156,300	205,110	153,859	(51,251)
Purchased water	5,130,000	5,130,000	4,823,916	(306,084)
Capital outlays	724,200	947,761	83,669	(864,092)
Subtotal	6,957,237	7,443,533	6,148,537	(1,294,996)
Less fixed assets capitalized	-	-	(67,000)	(67,000)
Total water division	6,957,237	7,443,533	6,081,537	(1,361,996)
SEWER DIVISION				
Personnel services	406,470	406,470	390,838	(15,632)
Supplies	57,800	57,436	30,692	(26,744)
Communication	150	150	20	(130)
Professional development	1,100	1,100	-	(1,100)
Maintenance service	53,500	89,030	72,260	(16,770)
Other charges	327,440	297,087	252,251	(44,836)
Capital outlays	431,450	556,244	153,060	(403,184)
Subtotal	1,277,910	1,407,517	899,121	(508,396)
Less fixed assets capitalized	-	-	(150,248)	(150,248)
Total sewer division	1,277,910	1,407,517	748,873	(658,644)

(This schedule is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING EXPENDITURES -
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
STORM SEWER MAINTENANCE				
Personal services	\$ 198,717	\$ 198,717	\$ 198,017	\$ (700)
Supplies	25,450	25,560	17,958	(7,602)
Communications	150	150	20	(130)
Professional development	2,300	2,300	1,000	(1,300)
Maintenance service	20,800	20,800	9,705	(11,095)
Rentals	1,100	1,100	75	(1,025)
Capital outlays	4,000	4,000	2,641	(1,359)
Subtotal	252,517	252,627	229,416	(23,211)
Less fixed assets capitalized	-	-	-	-
Total storm sewer maintenance	252,517	252,627	229,416	(23,211)
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION				
	<u>\$ 10,172,510</u>	<u>\$ 10,787,419</u>	<u>\$ 8,508,239</u>	<u>\$ (2,279,180)</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING AND NONOPERATING REVENUES -
BUDGET AND ACTUAL
CAPITAL REPLACEMENT FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
CHARGES FOR SERVICES				
General government				
Finance	\$ 24,841	\$ 24,841	\$ 24,841	\$ -
Other	17,503	17,503	17,503	-
Total general government	42,344	42,344	42,344	-
Public safety				
Fire	246,009	246,009	246,009	-
Total public safety	246,009	246,009	246,009	-
Highways and streets				
Streets	130,658	130,658	128,986	(1,672)
TOTAL OPERATING REVENUES	\$ 419,011	\$ 419,011	\$ 417,339	\$ (1,672)
NONOPERATING REVENUES				
Sale of surplus property	\$ -	\$ -	\$ 3,000	\$ 3,000
Investment income	-	-	139,730	139,730
TOTAL NONOPERATING REVENUES	\$ -	\$ -	\$ 142,730	\$ 142,730

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING EXPENDITURES -
BUDGET (NON-GAAP BASIS) AND ACTUAL
CAPITAL REPLACEMENT FUND

For the Year Ended April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADMINISTRATION				
Mayor/Board				
Capital outlays	\$ -	\$ 23,600	\$ 1,375	\$ (22,225)
Less fixed assets capitalized	-	-	-	-
Net administration	-	23,600	1,375	(22,225)
HIGHWAYS AND STREETS				
Streets	798,000	856,000	787,353	(68,647)
Less fixed assets capitalized	-	-	(787,960)	(787,960)
Net highways and streets	798,000	856,000	(607)	(856,607)
OPERATING EXPENDITURES EXCLUDING DEPRECIATION	\$ 798,000	\$ 879,600	\$ 768	\$ (878,832)

(See independent auditor's report.)

FIDUCIARY FUNDS

Pension Trust Funds

Police Pension Fund

To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. The fund does not account for the administrative costs of the fund, which are borne by the General Fund. Resources are contributed by employees at rates fixed by state law and by the Village at amounts determined by an annual actuarial valuation or update.

Firefighters' Pension Fund

To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. The fund does not account for the administrative costs of the fund, which are borne by the General Fund. Resources are contributed by employees at rates fixed by state law and by the Village at amounts determined by an annual actuarial valuation or update.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
COMBINING STATEMENT OF PLAN NET ASSETS
PENSION TRUST FUNDS

April 30, 2005

	Firefighters' Pension	Police Pension	Total
ASSETS			
Cash and investments			
U.S. government and agency obligations	\$ 26,424,393	\$ 23,061,098	\$ 49,485,491
Insurance contracts	1,079,271	2,525,645	3,604,916
Equity securities	12,028,002	10,829,242	22,857,244
Money markets	2,883,381	2,728,997	5,612,378
Mutual Funds	2,638,295	402,134	3,040,429
Illinois Funds	259,998	801,264	1,061,262
Total cash and investments	45,313,340	40,348,380	85,661,720
Receivables			
Accrued interest	182,147	103,159	285,306
Due from General Fund	63,900	-	63,900
Total receivables	246,047	103,159	349,206
Total assets	45,559,387	40,451,539	86,010,926
LIABILITIES			
Accrued benefits payable	14,348	-	14,348
Due to General Fund	414,824	404,783	819,607
Total liabilities	429,172	404,783	833,955
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$ 45,130,215	\$ 40,046,756	\$ 85,176,971

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUNDS

April 30, 2005

	Firefighters' Pension	Police Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 917,849	\$ 859,968	\$ 1,777,817
Participants	576,621	616,760	1,193,381
Total contributions	1,494,470	1,476,728	2,971,198
Investment income			
Net appreciation in fair value of investments	711,051	1,903,206	2,614,257
Interest income	1,378,126	818,446	2,196,572
Less investment expenses	(189,784)	(190,379)	(380,163)
Net investment income	1,899,393	2,531,273	4,430,666
Total additions	3,393,863	4,008,001	7,401,864
DEDUCTIONS			
Administration	11,217	13,542	24,759
Pension benefits and refunds	2,381,064	1,362,375	3,743,439
Total deductions	2,392,281	1,375,917	3,768,198
NET INCREASE	1,001,582	2,632,084	3,633,666
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
May 1	44,128,633	37,414,672	81,543,305
April 30	\$ 45,130,215	\$ 40,046,756	\$ 85,176,971

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET ASSETS -
BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND

April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	\$ 927,109	\$ 927,109	\$ 917,849	\$ (9,260)
Participants	515,000	515,000	576,621	61,621
Total contributions	1,442,109	1,442,109	1,494,470	52,361
Investment income				
Net appreciation in fair value of investments	-	-	711,051	711,051
Interest income	2,000,000	2,000,000	1,378,126	(621,874)
Less investment expenses	(114,000)	(114,000)	(189,784)	(75,784)
Net investment income	1,886,000	1,886,000	1,899,393	13,393
Total additions	3,328,109	3,328,109	3,393,863	65,754
DEDUCTIONS				
Administration	10,800	14,300	11,217	(3,083)
Pension benefits and refunds	3,162,965	3,159,465	2,381,064	(778,401)
Total deductions	3,173,765	3,173,765	2,392,281	(781,484)
NET INCREASE	\$ 154,344	\$ 154,344	1,001,582	\$ 847,238
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS				
May 1			44,128,633	
April 30			\$ 45,130,215	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET ASSETS -
BUDGET AND ACTUAL
POLICE PENSION FUND

April 30, 2005

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer	\$ 872,224	\$ 872,224	\$ 859,968	\$ (12,256)
Participants	663,000	663,000	616,760	(46,240)
Total contributions	1,535,224	1,535,224	1,476,728	(58,496)
Investment income				
Net appreciation in fair value of investments	-	-	1,903,206	1,903,206
Interest income	2,000,000	2,000,000	818,446	(1,181,554)
Less investment expenses	(137,000)	(137,000)	(190,379)	(53,379)
Net investment income	1,863,000	1,863,000	2,531,273	668,273
Total additions	3,398,224	3,398,224	4,008,001	609,777
DEDUCTIONS				
Administration	10,150	13,600	13,542	(58)
Pension benefits and refunds	1,773,332	1,769,882	1,362,375	(407,507)
Total deductions	1,783,482	1,783,482	1,375,917	(407,565)
NET INCREASE	\$ 1,614,742	\$ 1,614,742	2,632,084	\$ 1,017,342
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS				
May 1			37,414,672	
April 30			\$ 40,046,756	

(See independent auditor's report.)

LONG-TERM DEBT

To account for the non-current portion of the Village's long-term obligations payable by governmental funds.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF GENERAL LONG-TERM DEBT

April 30, 2005

AMOUNT AVAILABLE AND TO BE
PROVIDED FOR THE RETIREMENT
OF GENERAL LONG-TERM DEBT

Amount available for debt service	\$ 1,715,467
Amount to be provided for retirement of general long-term debt	<u>21,758,991</u>
TOTAL	<u>\$ 23,474,458</u>

GENERAL LONG-TERM DEBT PAYABLE

General obligation bonds payable	\$ 18,255,000
Limited obligation note payable	4,250,000
Compensated absences	<u>969,458</u>
TOTAL	<u>\$ 23,474,458</u>

(See independent auditor's report.)

OTHER SUPPLEMENTAL INFORMATION

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

April 30, 2005

Name of Company	Policy Number	Policy Expiration Date	Type of Coverage	Amount of Coverage
Lloyd's of London	J046046	05/01/05	Property Workers' Compensation Crime Excess Liability General Liability Public Officials Errors and Omissions	\$950,000 per occurrence excess of \$50,000 self-insurance retention (SIR) \$100,000 policy limit excess of \$300,000 SIR \$75,000 aggregate excess of \$25,000 SIR \$1,000,000 per occurrence/\$1,000,000 aggregate \$1,900,000 per occurrence excess of \$100,000 SIR \$1,900,000 per occurrence excess of \$2,800,000 aggregate
Safety National	SP8133-IL	05/01/05	Excess Workers' Compensation Employer's Liability	Statutory Coverage \$1,000,000 aggregate excess of \$400,000
Travelers	MSJ-BM21-311K0142-TIL-03	05/01/05	Boiler and Machinery	\$50,000,000 policy limit
Travelers	KTXK-CMB-232T589-6-04	05/01/05	Excess Property Flood and Earthquake Mobile Equipment	\$57,000,000 policy limit \$4,000,000 policy limit \$2,200,000 policy limit **All limits excess of United National package of \$1,000,000 per occurrence**
Western World	NPP834738	05/01/05	Community Nurse Professional Liability	\$1,000,000 per occurrence excess of \$500 \$1,000,000 aggregate
High-Level Excess Liability Pool	N/A	Continuous	Excess Liability	\$10,000,000 excess of \$2,000,000 SIR
Travelers	008-FF-103012329	05/01/05	Police and Fire Pension Fiduciary Liability	\$1,000,000 annual aggregate excess of \$50,000 SIR
Travelers	2565839387	12/20/05	Federal Flood	\$500,000 policy limit - buildings \$500,000 policy limit - contents
Colony Insurance Company	PP2021422	05/01/05	Storage Tank Liability (above and underground storage)	\$1,000,000 aggregate, \$25,000 SIR

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2001

April 30, 2005

Date of Issue	March 15, 2001
Date of Maturity	December 1, 2006
Authorized Issue	\$ 3,375,000
Denomination of Bonds	\$ 5,000
Interest Rates	4.0%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase Bank Dallas, Texas

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2004	\$ 285,000	\$ 23,200	\$ 308,200	2005	\$ 11,600	2005	\$ 11,600
2005	295,000	11,800	306,800	2006	5,900	2006	5,900
	<u>\$ 580,000</u>	<u>\$ 35,000</u>	<u>\$ 615,000</u>		<u>\$ 17,500</u>		<u>\$ 17,500</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2002

April 30, 2005

Date of Issue	March 15, 2002
Date of Maturity	December 1, 2006
Authorized Issue	\$ 5,800,000
Denomination of Bonds	\$ 5,000
Interest Rates	1.70% to 3.10%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase Bank Dallas, Texas

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2004	\$ 515,000	\$ 31,108	\$ 546,108	2005	\$ 15,554	2005	\$ 15,554
2005	530,000	16,430	546,430	2006	8,215	2006	8,215
	<u>\$ 1,045,000</u>	<u>\$ 47,538</u>	<u>\$ 1,092,538</u>		<u>\$ 23,769</u>		<u>\$ 23,769</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2003A

April 30, 2005

Date of Issue	April 1, 2003
Date of Maturity	January 1, 2018
Authorized Issue	\$ 9,580,000
Denomination of Bonds	\$ 5,000
Interest Rates	2.25% to 5.50%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Deutchse Bank National Trust Company Olive Branch, Minnesota

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	July 1	Amount	January 1	Amount
2004	\$ 610,000	\$ 387,356	\$ 997,356	2005	\$ 193,678	2006	\$ 193,678
2005	625,000	373,631	998,631	2006	186,816	2007	186,815
2006	640,000	357,225	997,225	2007	178,613	2008	178,612
2007	660,000	338,025	998,025	2008	169,013	2009	169,012
2008	680,000	316,575	996,575	2009	158,288	2010	158,287
2009	705,000	292,775	997,775	2010	146,388	2011	146,387
2010	735,000	264,575	999,575	2011	132,288	2012	132,287
2011	760,000	235,175	995,175	2012	117,588	2013	117,587
2012	795,000	204,775	999,775	2013	102,388	2014	102,387
2013	825,000	172,975	997,975	2014	86,488	2015	86,487
2014	860,000	139,975	999,975	2015	69,988	2016	69,987
2015	905,000	92,675	997,675	2016	46,338	2017	46,337
2016	780,000	42,900	822,900	2017	21,450	2018	21,450
	<u>\$ 9,580,000</u>	<u>\$ 3,218,637</u>	<u>\$ 12,798,637</u>		<u>\$ 1,609,324</u>		<u>\$ 1,609,313</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BOND SERIES OF 2003B

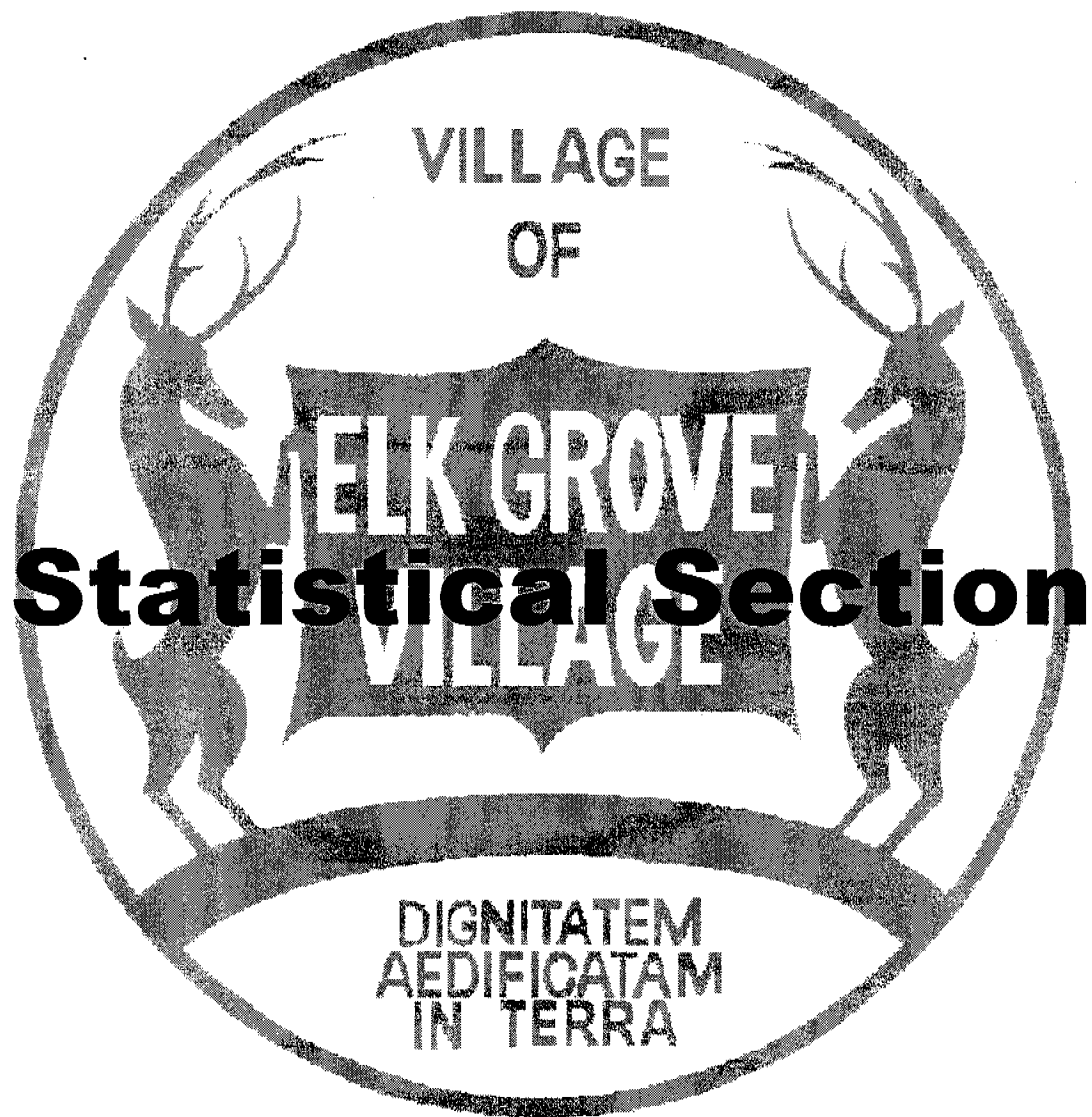
April 30, 2005

Date of Issue	September 1, 2003
Date of Maturity	December 1, 2012
Authorized Issue	\$ 7,660,000
Denomination of Bonds	\$ 5,000
Interest Rates	2.50% to 4.25%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Deutchse Bank National Trust Company New York, New York

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2004	\$ 705,000	\$ 238,950	\$ 943,950	2005	\$ 119,475	2005	\$ 119,475
2005	725,000	219,562	944,562	2006	109,781	2006	109,781
2006	1,605,000	201,438	1,806,438	2007	100,719	2007	100,719
2007	750,000	153,288	903,288	2008	76,644	2008	76,644
2008	770,000	128,912	898,912	2009	64,456	2009	64,456
2009	800,000	101,962	901,962	2010	50,981	2010	50,981
2010	830,000	69,962	899,962	2011	34,981	2011	34,981
2011	865,000	36,762	901,762	2012	18,381	2012	18,381
	<u>\$ 7,050,000</u>	<u>\$ 1,150,836</u>	<u>\$ 8,200,836</u>		<u>\$ 575,418</u>		<u>\$ 575,418</u>

(See independent auditor's report.)



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

GOVERNMENT-WIDE REVENUES

Last Two Fiscal Years

	2004	2005
<hr/>		
PROGRAM REVENUES		
Charges for services	\$ 11,371,967	\$ 11,184,206
Operating grants and contributions	3,089,476	3,514,302
Capital grants and contributions	2,548,227	1,559,156
GENERAL REVENUES		
Taxes	30,252,540	34,279,937
Investment income	735,727	1,267,298
Miscellaneous	637,963	716,858
Gain (loss) on sale of capital assets	1,166	-
Contributions	-	225,000
	<hr/>	
TOTAL PRIMARY GOVERNMENT	\$ 48,637,066	\$ 52,746,757
	<hr/>	

NOTE: The Village implemented GASB S-34 for the fiscal year ended April 30, 2004.

Data Source

Village Records

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
GOVERNMENT-WIDE EXPENSES BY FUNCTION

Last Two Fiscal Years

	2004	2005
GOVERNMENTAL ACTIVITIES		
General government	\$ 6,353,807	\$ 10,249,459
Public safety	20,506,176	22,526,297
Highways and streets	11,795,537	10,071,979
Health services	1,300,937	1,302,331
Community services	327,246	216,579
Interest and fiscal charges	1,077,282	1,238,849
Total governmental activities	41,360,985	45,605,494
BUSINESS-TYPE ACTIVITIES		
Waterworks and sewerage	8,608,588	9,128,532
Total business-type activities	8,608,588	9,128,532
TOTAL PRIMARY GOVERNMENT	\$ 49,969,573	\$ 54,734,026

NOTE: The Village implemented GASB S-34 for the fiscal year ended April 30, 2004.

Data Source

Village Records

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
GENERAL GOVERNMENTAL REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Taxes	\$ 21,044,248	\$ 22,781,421	\$ 24,647,524	\$ 25,514,706	\$ 27,164,573	\$ 27,320,396	\$ 25,062,968	\$ 25,665,153	\$ 28,278,948	\$ 31,586,388
Licenses and permits	1,725,335	1,451,155	1,493,495	1,657,034	1,876,889	1,957,132	1,552,703	1,489,087	2,202,304	1,794,484
Intergovernmental	3,768,966	4,208,352	3,957,314	4,469,175	5,651,785	6,508,061	5,172,454	5,426,815	7,225,510	6,638,558
Contributions from other governments	1,963,688	-	-	-	-	-	-	-	-	-
Charges for services	770,042	902,550	908,894	1,011,851	978,484	1,075,827	1,104,201	1,083,420	1,153,572	1,222,557
Fines	597,641	616,465	631,822	666,028	714,670	573,156	719,839	710,256	794,660	758,453
Investment income	1,820,399	1,270,537	1,518,968	1,651,940	1,570,797	2,829,613	1,910,689	1,024,377	696,110	1,148,272
Miscellaneous	192,962	534,052	361,930	382,909	1,083,416	517,833	1,504,970	1,390,905	500,876	1,293,513
TOTAL REVENUES	\$ 31,883,281	\$ 31,764,532	\$ 33,519,947	\$ 35,353,643	\$ 39,040,614	\$ 40,782,018	\$ 37,027,824	\$ 36,790,013	\$ 40,851,980	\$ 44,442,225

NOTE: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source

Audited Financial Statements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
General government	\$ 5,036,804	\$ 5,373,177	\$ 5,910,951	\$ 5,876,802	\$ 5,631,739	\$ 6,268,164	\$ 6,350,751	\$ 6,402,550	\$ 5,963,796	\$ 5,948,697
Public safety	13,239,362	12,513,264	14,364,913	14,290,632	15,713,145	16,156,168	17,491,721	17,267,723	20,760,995	22,457,082
Highways and streets	4,864,364	4,539,905	4,790,905	4,917,662	6,020,789	7,878,106	7,664,206	7,663,056	9,535,509	12,029,654
Health services	747,628	1,203,890	1,258,630	1,329,134	1,237,371	1,270,733	1,196,946	1,038,110	1,301,641	1,301,643
Community services	77,689	76,757	86,833	82,901	81,962	82,828	81,299	65,269	328,599	216,452
Pension contributions	830,341	881,833	911,630	971,288	936,032	921,348	922,668	857,253	-	-
Capital outlay	1,611,237	4,182,011	3,378,181	3,751,849	2,570,998	3,351,809	3,556,479	8,102,157	2,909,997	7,486,891
Debt service	4,882,031	2,921,496	2,910,595	2,908,279	2,910,980	2,906,465	2,839,708	3,107,358	3,614,922	3,847,280
TOTAL EXPENDITURES	\$ 31,289,456	\$ 31,692,333	\$ 33,612,638	\$ 34,128,547	\$ 35,103,016	\$ 38,835,621	\$ 40,103,778	\$ 44,503,476	\$ 44,415,459	\$ 53,287,699

Note: Pension contributions are now allocated by function, per GASB 34, as of fiscal year 03-04.

Data Source

Audited Financial Statements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Tax Levy Year	Fiscal Year of Tax Levy	Fiscal Year of Collections	Total Tax Levy as Extended	Collection of Current Year's Levy	Percentage of Current Year's Levy Collected
1994	1995	1996	\$ 7,762,601	\$ 7,855,200	101.19%
1995	1996	1997	7,939,518	7,972,244	100.41%
1996	1997	1998	8,190,430	8,218,590	100.34%
1997	1998	1999	8,321,056	8,188,835	98.41%
1998	1999	2000	8,313,427	8,058,602	96.93%
1999	2000	2001	8,217,398	8,158,224	99.28%
2000	2001	2002	8,278,588	7,917,001	95.63%
2001	2002	2003	8,827,612	8,637,594	97.85%
2002	2003	2004	9,067,040	8,905,629	98.22%
2003	2004	2005	9,883,183	9,707,234	98.22%

Excludes the Elk Grove Village Public Library

Data Source

Audited Financial Statements

Cook and DuPage County Treasurer's Office

VILLAGE OF BLK GROVE VILLAGE, ILLINOIS

EQUALIZED ASSESSED VALUATION OF TAXABLE PROPERTY

Last Ten Levy Years

Tax Levy Year	Equalized Assessed Value					Estimated Actual Value
	Real Property			Railroad Property		
	Cook	DuPage	Total	Cook	Total	
1995	\$ 1,357,654,371	\$ 76,002,450	\$ 1,433,656,821	\$ 219,897	\$ 1,433,876,718	\$ 4,344,646,456
1996	1,387,567,231	80,915,073	1,468,482,304	481,276	1,468,963,580	4,450,959,647
1997	1,385,917,394	80,521,580	1,466,438,974	438,084	1,466,877,058	4,444,637,486
1998	1,467,036,369	84,103,250	1,551,139,619	458,513	1,551,598,132	4,701,342,340
1999	1,504,856,219	89,264,670	1,594,120,889	469,380	1,594,590,269	4,831,608,515
2000	1,487,891,049	92,388,250	1,580,279,299	381,667	1,580,660,966	4,789,402,727
2001	1,696,445,980	98,485,190	1,794,931,170	398,528	1,795,329,698	5,386,527,747
2002	1,811,918,052	103,742,090	1,915,660,142	632,031	1,916,292,173	5,748,876,399
2003	1,779,527,902	103,085,102	1,882,613,004	677,829	1,883,290,833	5,649,872,499
2004	1,959,682,231	107,322,360	2,067,004,591	710,658	2,067,715,249	6,203,145,747

Note: The State of Illinois Department of Revenue is required by law to examine the assessment procedures in each county and make adjustments for differing assessment levels. This is done by assigning an equalization factor to the assessed value as determined by the individual county. The equalized assessed value is then used by the county to spread the tax levy and set tax rates. The assessed value shown on this and all subsequent exhibits is the equalized assessed value.

Data Source

DuPage County Clerk's office and Cook County Assessor's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

ADDISON TOWNSHIP PROPERTY TAX RATES
(Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
DuPage County	0.380	0.318	0.297	0.283	0.268	0.254	0.235	0.215	0.200	0.185
DuPage Forest Preserve District	0.169	0.165	0.187	0.185	0.180	0.174	0.165	0.129	0.142	0.136
DuPage Airport Bond and Interest	0.030	-	-	-	-	-	0.027	0.025	0.023	0.021
Township of Addison Town	0.053	0.054	0.055	0.054	0.053	0.053	0.052	0.050	0.049	0.047
Addison Township Road	0.080	0.081	0.082	0.081	0.080	0.080	0.079	0.075	0.073	0.071
Village of Elk Grove Village	0.695	0.634	0.668	0.689	0.590	0.748	0.695	0.685	0.747	0.726
Elk Grove Village Public Library	0.191	0.175	0.185	0.201	0.180	0.237	0.221	0.230	0.247	0.236
Bensenville Park District	0.358	0.353	0.358	0.355	0.352	0.370	0.350	0.329	0.345	0.331
School District #2	1.908	1.914	1.939	1.926	1.913	1.908	2.658	2.584	2.714	2.642
High School District #100	1.554	1.566	1.586	1.572	1.555	1.553	1.599	1.525	1.509	1.447
Community College District #502	0.206	0.205	0.204	0.203	0.201	0.197	0.193	0.218	0.210	0.197
	5.624	5.465	5.561	5.549	5.372	5.574	6.274	6.065	6.259	6.039

Note: The Village of Elk Grove Village is situated in part of two counties, Cook and DuPage, and three townships, Addison, Elk Grove and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is situated.

Data Source

DuPage County Clerk's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

ELK GROVE TOWNSHIP PROPERTY TAX RATES (Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Cook County	1.023	0.989	0.946	0.911	0.877	0.824	0.778	0.690	0.659	0.593
Forest Preserve	0.072	0.074	0.074	0.072	0.070	0.069	0.067	0.061	0.059	0.060
Elk Grove Township	0.089	0.090	0.091	0.086	0.083	0.085	0.073	0.070	0.072	0.062
Suburban TB Sanitarium	0.008	0.008	0.008	0.008	0.008	0.008	0.007	0.006	0.004	0.001
Northwest Mosquito Abatement	0.010	0.010	0.011	0.010	0.010	0.011	0.010	0.009	0.010	0.009
Metro Water Reclamation District	0.495	0.492	0.451	0.444	0.419	0.415	0.401	0.371	0.361	0.347
Village of Elk Grove Village	0.546	0.554	0.562	0.527	0.511	0.514	0.481	0.462	0.512	0.497
Elk Grove Village Public Library	0.173	0.173	0.176	0.174	0.176	0.186	0.176	0.180	0.195	0.187
Elk Grove Village Park District	0.561	0.520	0.528	0.516	0.515	0.534	0.478	0.458	0.504	0.534
School District #59	1.993	2.011	2.091	2.029	2.021	2.116	1.943	1.855	2.127	1.972
High School District #214	2.166	2.189	2.278	2.204	2.183	2.257	1.989	1.888	1.982	1.816
Community College District #512	0.279	0.281	0.292	0.277	0.270	0.347	0.308	0.295	0.310	0.280
	7.415	7.391	7.508	7.258	7.143	7.366	6.711	6.345	6.795	6.358

Note: The Village of Elk Grove Village is situated in part of two counties, Cook and DuPage, and three townships, Addison, Elk Grove and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is situated.

Data Source

Cook County Clerk's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
SCHAUMBURG TOWNSHIP PROPERTY TAX RATES
(Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Cook County	1.023	0.989	0.946	0.911	0.877	0.824	0.778	0.690	0.659	0.593
Forest Preserve	0.072	0.074	0.074	0.072	0.070	0.069	0.067	0.061	0.059	0.060
Schaumburg Township	0.125	0.118	0.135	0.127	0.110	0.107	0.110	0.105	0.111	0.101
Schaumburg Township Library	0.361	0.368	0.370	0.358	0.361	0.372	0.319	0.304	0.319	0.284
Suburban TB Sanitarium	0.008	0.008	0.008	0.008	0.008	0.008	0.007	0.006	0.004	0.001
Metro Water Reclamation District	0.495	0.492	0.451	0.444	0.419	0.415	0.401	0.371	0.010	0.009
Northwest Mosquito Abatement	0.010	0.010	0.011	0.010	0.010	0.011	0.010	0.009	0.361	0.347
Village of Elk Grove Village	0.546	0.554	0.562	0.527	0.511	0.514	0.481	0.462	0.512	0.497
Elk Grove Village Park District	0.561	0.520	0.528	0.516	0.515	0.534	0.478	0.458	0.504	0.534
School District #54	3.579	3.634	3.751	3.595	3.532	3.706	3.283	3.142	3.414	3.102
High School District #211	2.489	2.517	2.595	2.464	2.418	2.450	2.147	2.067	2.165	2.156
Community College District #512	0.279	0.281	0.292	0.277	0.270	0.347	0.308	0.295	0.310	0.280
	9.548	9.565	9.723	9.309	9.101	9.357	8.389	7.970	8.428	7.964

Note: The Village of Elk Grove Village is situated in part of two counties, Cook and DuPage, and three townships, Addison, Elk Grove and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is situated.

Data Source

Cook County Clerk's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUATION
AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA

Last Ten Fiscal Years

Fiscal Year Ended	Population	Equalized Assessed Valuation	Gross General Obligation Debt	Debt Service Monies Available	Net General Obligation Debt	Ratio of	
						Net General Obligation Debt to Equalized Assessed Valuation	Net General Obligation Debt Per Capita
1996	33,429	\$ 1,348,668,236	\$ 26,645,000	\$ 1,048,545	\$ 25,596,455	1.90	766
1997	33,429	1,433,876,718	24,940,000	1,184,932	23,755,068	1.66	711
1998	33,429	1,468,963,580	23,155,000	1,330,777	21,824,223	1.49	653
1999	34,800	1,466,877,058	21,295,000	1,437,417	19,857,583	1.35	571
2000	34,800	1,551,598,132	19,355,000	1,545,384	17,809,616	1.15	512
2001	34,727	1,594,590,269	17,415,000	1,459,986	15,955,014	1.00	459
2002	34,727	1,580,660,966	15,545,000	1,588,365	13,956,635	0.88	402
2003	34,727	1,795,329,698	22,815,000	1,959,882	20,855,118	1.16	601
2004	34,727	1,916,292,173	20,810,000	1,692,772	19,117,228	1.00	551
2005	34,727	2,067,715,249	18,255,000	1,715,467	16,539,533	0.80	476

Data Source

U.S. Department of Commerce, Bureau of Census for 2001. Special census for 1998. All other years have been estimated by the Department of Finance for the purpose of this report.
Office of the DuPage Clerk and Office of the Cook County Assessor
Audited Financial Statements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2005

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Government	Government's Share of Debt
Direct Debt			
Village of Elk Grove Village	\$ 18,255,000	100.00%	\$ 18,255,000
Overlapping Debt			
Cook County	3,093,165,000	1.67%	51,655,856
Cook County Forest Preserve District	135,155,000	1.67%	2,257,089
Metro Water Reclamation District	1,419,596,000	1.71%	24,275,092
DuPage County ⁽¹⁾	347,775,000	0.34%	1,182,435
DuPage County Forest Preserve District	212,296,835	0.34%	721,809
Schaumburg Township	1,385,000	6.04%	83,654
Bensenville Park District ⁽¹⁾	2,074,885	6.45%	133,830
Elk Grove Park District ⁽¹⁾	11,760,000	92.66%	10,896,816
Mount Prospect Park District ⁽¹⁾	4,859,000	5.89%	286,195
Schaumburg Park District ⁽¹⁾	33,845,000	7.62%	2,578,989
Wood Dale Park District	3,121,575	9.27%	289,370
Schaumburg Township Public Library District	12,805,000	6.14%	786,227
School District CC #2	4,183,922	7.92%	331,367
School District CC #7	2,215,000	10.05%	222,608
School District CC #54	53,845,000	5.98%	3,219,931
School District CC #59	38,515,000	54.01%	20,801,952
Fenton High School #100	2,737,637	8.86%	242,555
Palatine Township High School #211	39,711,000	3.74%	1,485,191
Arlington Heights Township			
High School #214	22,646,127	19.93%	4,513,373
Community College District #502 ⁽¹⁾	118,405,000	0.31%	367,056
Harper Community College District #512 ⁽¹⁾	79,705,000	9.19%	7,324,890
TOTAL	<u>\$ 5,658,056,981</u>		<u>\$ 151,911,285</u>

(1) Excludes outstanding principal amounts of General Obligation (Alternate Revenue Source) Bonds that are anticipated to be paid by sources other than general taxation.

Data Source

Office of the County Clerk - Cook and DuPage Counties

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LEGAL DEBT MARGIN

April 30, 2005

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“ The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property.... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts.”

To date, the Illinois General Assembly has set no limits for home rule municipalities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION DEBT
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES

Last Ten Fiscal Years

Fiscal Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Principal	\$ 3,505,000	\$ 1,705,000	\$ 1,785,000	\$ 1,860,000	\$ 1,940,000	\$ 2,015,000	\$ 2,105,000	\$ 2,310,000	\$ 2,525,000	\$ 2,555,000
Interest	1,377,031	1,216,496	1,125,595	1,048,279	970,980	891,465	734,708	534,457	679,387	1,292,280
TOTAL DEBT SERVICE	\$ 4,882,031	\$ 2,921,496	\$ 2,910,595	\$ 2,908,279	\$ 2,910,980	\$ 2,906,465	\$ 2,839,708	\$ 2,844,457	\$ 3,204,387	\$ 3,847,280
TOTAL GENERAL GOVERNMENTAL EXPENDITURES	\$ 31,289,456	\$ 31,692,333	\$ 33,612,638	\$ 34,128,547	\$ 35,103,016	\$ 38,835,621	\$ 40,103,778	\$ 44,503,476	\$ 44,415,459	\$ 53,287,699
RATIO OF DEBT SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES	15.60%	9.22%	8.66%	8.52%	8.29%	7.48%	7.08%	6.39%	7.21%	7.22%

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds. Fiscal charges not included.

Data Source

Audited Financial Statements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population	School Enrollments				Total
		Elementary		Secondary		
		District 54	District 59	District 214	District 211	
1996	33,429	2,352	3,109	1,711	768	7,940
1997	33,429	2,322	2,833	1,839	776	7,770
1998	33,429	2,378	2,898	1,796	796	7,868
1999	34,800	2,349	2,878	1,776	800	7,803
2000	34,800	2,337	2,853	1,895	827	7,912
2001	34,727	2,340	2,882	1,911	816	7,949
2002	34,727	2,265	3,096	2,010	797	8,168
2003	34,727	2,258	2,943	1,938	806	7,945
2004	34,727	1,600	2,350	1,155	896	6,001
2005	34,727	1,599	2,836	1,683	915	7,033

Note: A small portion of secondary students from the Village of Elk Grove Village attend James B. Conant High School in Hoffman Estates, Illinois (District 211). The amount identified represents both incorporated and unincorporated area residents.

Data Sources

Population - Official U.S. Census figures

School enrollment

District 54 - Community Services

District 59 - Instruction Services

District 214 - Registrar - Elk Grove High School

District 211 - Registrar - Conant High School

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

PROPERTY VALUE AND CONSTRUCTION PERMITS

Last Ten Calendar Years

Calendar Year	Commercial and Industrial Construction		Residential Construction		Miscellaneous Construction	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value
1995	706	\$ 30,302,203	328	\$ 7,242,329	269	\$ 608,875
1996	836	42,392,419	338	13,056,673	415	1,369,012
1997	803	45,037,211	267	5,044,240	552	1,655,288
1998	1,061	36,943,134	303	3,612,527	629	2,819,942
1999	961	53,638,671	404	4,692,971	923	2,368,356
2000	837	100,975,410	481	15,330,431	607	2,197,542
2001	679	33,433,411	356	7,472,582	697	2,177,106
2002	584	21,043,377	452	6,207,243	700	2,016,996
2003	684	110,825,008	589	16,601,727	596	16,025,786
2004	728	58,442,442	655	11,913,721	485	1,401,566

Notes: Includes all construction activities including new buildings, additions and remodeling.
Includes permits for signs, pools, fences and other miscellaneous permits.

Data Source

Construction information from the year-end report of the Engineering and Community Development Department, Village of Elk Grove Village.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

PRINCIPAL TAXPAYERS

April 30, 2005

Taxpayer	Description of Business/Property	2002 Equalized Assessed Valuation	Percentage of Total Equalized Assessed Valuation
Crane & Norcross	Real estate law firm	\$ 32,577,350	1.70%
Centerpoint Properties	Office buildings	29,881,696	1.56%
Hamilton Partners	Industrial/warehouse buildings	28,238,743	1.47%
Gullo Properties	Commercial/industrial real estate	24,083,275	1.26%
Rodgers Industrial Park	Industrial/warehouse buildings	21,378,222	1.12%
Miller Global Properties	Commercial/industrial real estate	20,520,186	1.07%
BBKI Northwest Point	Office buildings	18,763,638	0.98%
Trammel Crow Co.	Commercial/industrial real estate	18,549,542	0.97%
ADP Inc.	Payroll services	17,183,514	0.90%
Draper & Kramer	Commercial/industrial real estate	14,586,928	0.76%
TOTAL		<u>\$ 225,763,094</u>	<u>8.53%</u>

Note: Due to a delay in receipt of information from Cook County, 2003 data was not available.

Data Source

Office of the County Clerk - Cook and DuPage Counties

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

MISCELLANEOUS STATISTICS

April 30, 2005

Date of incorporation July 17, 1956

Form of government Council/Manager

Geographic location The Village of Elk Grove Village is located approximately 22 miles northwest of Chicago's loop, adjacent to O'Hare International Airport's west boundary

	Population	Median Age	Number of Households
Incorporated July 17, 1956	116	Unknown	Unknown
1960	6,608	18	1,612
1970	20,346	20	6,248
1974 - Special census October (A)	25,303	25	7,546
1980	28,679	29	9,774
1984	30,476	Unknown	Unknown
1988 - Special census June (B)	33,205	32	11,761
1990	33,429	33	12,002
1998 - Special census June (B)	34,800	Unknown	Unknown
2000 - Census	34,727	38	13,278

(A) Became Home-Rule Community on this date

(B) Requested by the Village of Elk Grove Village

Streets 131 Miles

Fire Protection

Training Tower		1
Number of stations		4
Employees		
Sworn personnel	89	
Civilian	11	
Total		100
Insurance rating class 2		

Police Protection

Employees		
Sworn personnel	94	
Civilian	23	
School crossing guards	11	
Total		128

Authorized Positions

All department		
Full-time	334	
Part-time	49	
Total		383

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

MISCELLANEOUS STATISTICS (Continued)

April 30, 2005

Library Services		
Number of libraries		1
Resources		
Book - titles		264,205
Video recordings - titles		24,383
Audio recordings - titles		22,956
Magazines and newspapers, current titles		429
Registered borrowers		35,998
Total loans		763,859
Employees		
Full-time	17	
Part-time	49	
Pages - part-time	13	
Total		79
Recreational facilities		
Elk Grove Park District - 433.0 acres		
Golf Courses		2
Parks (1 amusement park and 1 water slide park)		52
Swimming pools		
Outdoor	2	
Indoor	1	
Total		3
Tennis courts		21
Forest Preserve District - Cook County		
Busse Woods - 437 acres		
Habitat and wildlife		
Bicycling and hiking - 12 miles		
Picnicking - 32 groves		
Winter sports - snowmobiles		
Model airplane flying		
Busse Lake - 590 acres		
Canoeing, rowboating, sailboating		
Fishing		
Boating center		

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

MISCELLANEOUS STATISTICS (Continued)

April 30, 2005

Ten Largest Water Users Fiscal Year 2005

	Gallons Metered	Percentage of Total Metered Gallons (1)
Chem-Plate	64,487,320	3.19%
Amitron Corporation	63,698,800	3.15%
Alexian Brothers	49,414,100	2.45%
Lester Lawrence	36,562,540	1.81%
Elk Grove Park District	27,074,134	1.34%
Village on the Lake (residential)	22,182,000	1.10%
Electronic Interconnect Corp.	19,741,000	0.98%
Tingstol Company	19,559,000	0.97%
Pre-Finish Materials	18,793,000	0.93%
HC Brill Company, Inc.	15,105,000	0.75%
Magnetic Inspection Lab	14,355,900	0.71%
Total	350,972,794	17.37%

Note: (1) Total metered gallons for fiscal year 2005

2,020,671,986

Water Utility

Customers

Residential
Industrial

2005	2004
10,318	10,309
1,935	1,935
12,253	12,244

Sewer Utility

Customers

Residential
Industrial

10,453	10,444
1,935	1,935
12,388	12,379

Capacity - gallons per day

17,000,000

Storage - gallons

9,500,000

Daily average gallons consumption

6,107,000

The municipal system in the Cook County portion of the Village of Elk Grove Village is connected to the Metro Water Reclamation District for sanitary sewerage treatment.

The portion of the system in DuPage County is treated in one treatment plant owned by the Village of Bensenville through an inter-governmental agreement with the Village of Elk Grove Village.

VILLAGE OF ELK GROVE VILLAGE
Cook and DuPage Counties, Illinois

ANNUAL FINANCIAL INFORMATION

STATEMENT OF INDEBTEDNESS

	Amount Applicable as of April 30, 2005	As Percent of		Per Capita (Pop. 34,727)
		Assessed Value	Estimated True Value	
Assessed Valuation of Taxable Real Property, 2004	\$ 2,067,715,249	100.00%	33.33%	\$ 59,542.01
Estimated True Value of Taxable Real Property, 2004	\$ 6,203,145,747	300.00%	100.00%	\$ 178,626.02
Direct General Obligation Bonded Debt (1)	\$ 18,255,000	0.88%	0.29%	\$ 525.67
Overlapping Bonded Debt Payable from Property Taxes (2):				
Schools	\$ 49,405,739	2.39%	0.80%	\$ 1,422.69
Other than Schools	\$ 84,250,543	4.07%	1.36%	\$ 2,426.08
Total Overlapping Bonded Debt	\$ 133,656,282	6.46%	2.15%	\$ 3,848.77
Total Direct and Overlapping Bonded Debt	\$ 151,911,282	7.35%	2.45%	\$ 4,374.44

Notes:

1. The Village is a home-rule unit under the 1970 Illinois Constitution and as such has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt. See "Retirement Schedule of Outstanding Village General Obligation Debt" on page 2 for a listing of the Village's non-general obligation debt and currently outstanding general obligation debt.
2. See "Detailed Overlapping Bonded Indebtedness Payable From Property Taxes at April 30, 2005" on page 3. (Note: The Village reserves the right to increase or decrease the issue amount by up to \$150,000.)

Due 12/1	Series 2001	Series 2002	Series 2003A	Series 2003B (Due 1/1)	Annual Amount	Cumulative Percent	Year	Amount
2005	285,000	515,000	-	705,000	4,060,000	19.51%	2004	3,186,061
2006	295,000	530,000	610,000	725,000	6,220,000	29.89%	2005	2,799,364
2007	-	-	625,000	1,605,000	8,450,000	40.61%	2006	2,800,174
2008	-	-	640,000	750,000	9,840,000	47.28%	2007	2,807,413
2009	-	-	660,000	770,000	11,270,000	54.16%	2008	1,905,063
2010	-	-	680,000	800,000	12,750,000	61.27%	2009	1,895,488
2011	-	-	705,000	830,000	14,285,000	68.64%	2010	1,899,738
2012	-	-	735,000	865,000	15,885,000	76.33%	2011	1,899,538
2013	-	-	760,000	-	16,645,000	79.99%	2012	1,896,938
2014	-	-	795,000	-	17,440,000	83.81%	2013	999,775
2015	-	-	825,000	-	18,265,000	87.77%	2014	997,975
2016	-	-	860,000	-	19,125,000	91.90%	2015	999,975
2017	-	-	905,000	-	20,030,000	96.25%	2016	997,675
2018	-	-	780,000	-	20,810,000	100.00%	2017	822,900
<hr/>								
\$	580,000	\$ 1,045,000	\$ 9,580,000	\$ 7,050,000				

Notes:

1. The Village is a home rule unit under the 1970 Illinois Constitution and as such has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt.

**BONDED DEBT RATIOS & PER CAPITA DEBT – LAST TEN GENERAL OBLIGATION BOND SALES
(NOTE 1)**

Village Issues		Ratio to Estimated Actual Value		Per Capita		
Sale Date	Amount	Direct Debt	Direct and Overlapping	Direct and Overlapping	Estimated Actual Value	Population Estimate
May 1, 1986	\$9,750,000	0.48%	1.78%	\$1,182	\$66,440	30,476
December 17, 1987	5,000,000 (2)	0.61%	1.67%	1,342	74,801	32,500
June 13, 1987	10,000,000	0.90%	2.23%	1,795	80,442	33,205
November 12, 1991	10,000,000	0.96%	2.34%	2,383	101,589	33,429
September 16, 1992	10,000,000	0.93%	2.86%	3,024	105,621	33,429
October 22, 1993	10,000,000	0.83%	2.53%	2,976	117,678	33,429
December 16, 1993	10,000,000	0.82%	2.42%	2,851	117,678	33,429
April 10, 2001	3,375,000	0.36%	1.97%	2,706	137,465	34,800
February 21, 2002	5,800,000	0.33%	1.99%	2,734	137,446	34,727
April 10, 2003	9,580,000	0.42%	2.29%	3,558	155,095	34,727
September 1, 2003	7,660,000	0.43%	2.32%	3,596	155,095	34,727

Notes:

1. Taken from applicable Official Statements. The last Village General Obligation issue prior to the 1986 issue was in 1977.
2. The Village issued these bonds on behalf of the High-Level Excess Liability Pool which is a joint venture of 15 Illinois municipalities. Pursuant to an intergovernmental agreement, each of the municipalities is responsible for an allocation of the current debt service based upon a formula which includes miles of streets, full-time equivalent employees, number of motor vehicles, and operating revenues. The final maturity of this issue was paid December 1, 1997.

DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES
April 30, 2005

	Percent of Village's 2003 Real Property in Taxing Body	Gross Bonded Debt	Village's Applicable Share of Gross Debt to be Paid From Real Property Taxes	
School Districts			Percent	Amount
Elementary Schools:				
Elk Grove District 59	81.30%	38,515,000	54.01%	20,801,952
Schamburg District 54	13.90%	53,845,000	5.98%	3,219,931
Wood Dale District 7	5.10%	2,215,000	10.05%	222,608
Bensenville District 2	2.80%	4,183,922	7.92%	331,367
High School Districts:				
Township District 214	81.30%	22,646,127	19.93%	4,513,373
Township District 211	13.90%	39,711,000	3.74%	1,485,191
Fenton District 100	6.20%	2,737,637	8.86%	242,555
Community Colleges:				
Harper District 512	92.40%	79,705,000	9.19%	7,324,890
College of DuPage District 502	6.20%	118,405,000	0.31%	367,056
Total School Districts		361,963,686		38,508,921
Other than School Districts:				
Cook County (incl. Forest Preserve)	92.40%	3,228,320,000	1.67%	53,912,944
DuPage County (inc. Forest Preserve)	6.20%	560,071,835	0.34%	1,904,244
Metro Water Reclamation District	92.40%	1,419,596,000	1.71%	24,275,092
Schaumburg Township	13.10%	1,385,000	6.04%	83,654
Park Districts:				
Elk Grove	87.80%	11,760,000	92.66%	10,896,816
Mount Prospect	5.80%	4,859,000	5.89%	286,195
Wood Dale	5.10%	3,121,575	9.27%	289,370
Schaumburg	7.60%	33,845,000	7.62%	2,578,989
Bensenville	2.80%	2,074,885	6.45%	133,830
Schaumburg Township Public Library	13.10%	12,805,000	6.14%	786,227
Total Other than School Districts				95,147,361

Notes:

1. Villages share based upon 2003 real property valuations.
2. Figures may include alternate revenue source bonds.
3. Gross bonded debt figures reported as provided by each taxing entity.

EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES (NOTE 1)

For General Taxing Purposes (Note 1)

For All Taxing Purposes

Tax Levy Year(3)	Gross Real Property	Less Exemptions(2)	Net for General Taxing Purposes(7)	Increase Over Prior Years	Net for General Taxing Purposes	Plus Incremental Valuation	Total for All Taxing Purposes(6)
1998	1,601,440,388	49,842,256	1,551,598,132	5.8%	1,551,598,132	0	1,551,598,132
1999	1,644,265,876	49,675,607	1,594,590,269	2.8%	1,594,590,269	9,910,554	1,604,500,823
2000	1,630,782,737	50,121,771	1,580,660,966	-0.8% (5)	1,580,660,966	10,299,394	1,590,960,360
2001	1,698,411,877	42,866,148	1,795,329,698	13.8%	1,795,329,698	10,566,681	1,805,896,379
2002			1,916,292,173	6.7%	1,916,292,173	0	1,916,292,173
2003			1,883,290,833	-1.7%	1,883,290,833	0	1,883,290,833
2004			2,067,715,249	9.8%	2,067,715,249	0	2,067,715,249

Notes:

- Property in Cook County is separated into eight classifications for assessment purposes (ranging in 1985 from 16% for residential to 40% for commercial property). After the assessor establishes the fair market value of a parcel of land, that value is multiplied by one of the classification percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an adjustment factor (the equalization factor) to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established – tax rates are applied to the equalized valuation.
- Includes three major categories of exemptions: the Senior Citizens' Homestead Exemption (\$4,875,000 in 2000), the Senior Citizens Tax Freeze Homestead Exemption (\$2,774,376 in 2000), and the General Homestead Exemption (\$42,472,395 in 2000). The Senior Citizens' Homestead Exemption, effective for tax years 1991 and following, is a reduction of \$2,500 (\$1,500 in levy years 1972-1983 and \$2,000 in levy years 1984-1990) in the equalized assessed valuation of real property owned and occupied by a person 65 years of age or older. The General Homestead Exemption is available to owner-occupied residential property; the amount of the exemption in the increase in the current year's equalized assessed valuation above the 1977 tax year equalized assessed valuation, with a maximum of \$1,500 in 1978, \$3,000 between 1979 and 1982, \$3,500 between 1983-1990 and \$4,500 thereafter. The Senior Citizen Tax Freeze Homestead Exemption, first effective in levy year 1994, provides that persons 65 or older with a household income of less than \$40,000 (up from \$35,000 in levy year 1998 and prior) may receive an exemption in the amount of the difference between the current equalized assessed value of their principal residence and the lowest previous assessment in a qualifying year, even if the senior was not eligible for some intervening year.
- Under the current triennial reassessment system in Cook County, one third of the County is reassessed each year. The Cook County portion of the Village was reassessed in 1998 and 2001. Additional reassessments were conducted in 2004 (for taxes to be collected in 2005). The DuPage County portion of the Village was reassessed in 2003.
- By valuation, 81.4% of the Village is in Elk Grove Township (Cook County), 13.5% is in Schaumburg Township (Cook County), and 5.1% is in Addison Township (DuPage County).
- The -.8% decrease in 2000 and the -1.7% decrease in 2003 were primarily due to decreases of .13%, 1.2%, and .37% respectively, in the State imposed equalization factor for Cook County.
- The Village's tax rate is extended against its entire Equalized Assessed Valuation (shown in this table as "Total for all Taxing Purposes") excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (valuation of tax increment districts) is remitted to the Village by the County Collector for deposit in the applicable tax allocating fund. The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in this table as "Net for General Taxing Purposes".
- The Village is primarily in Cook County, but a portion is in DuPage County. The valuation is DuPage County and the percentage of the Village over the last five years were: 1998=\$84,103,250 (5.4%); 1999=\$89,264,670 (5.6%); 2000=\$92,388,250 (5.8%); 2001=\$98,485,190; 2002=\$103,742,090; 2003=103,085,102; and 2004=107,322,360.

TAX BASE DISTRIBUTION
(As of January 1, 2000) (Note)

	Village of Elk Grove Village			Cook County	
	Cook County	DuPage County	Total	Percent of Total	Percent of Total
Residential	\$471,154,326	\$0	\$471,154,326	26.20%	26.20%
Industrial	986,744,738	98,048,760	1,084,793,498	60.40%	55.00%
Commercial	238,546,916	436,430	238,983,346	13.30%	13.30%
Railroad	398,528	-	398,528	NIL	NIL
Total	1,696,844,508	98,485,190	1,795,329,698	100.00%	100.00%

Note: Most recent data available.

TAX RATES PER \$100 EQUALIZED ASSESSED VALUATION
LEVY YEAR

Village of Elk Grove(1):	1999	2000	2001	2002	2003	2004
Corporate	\$0.268	\$0.267	\$0.243	\$0.228	\$0.233	\$0.222
Bonds & Interest	0.149	0.152	0.133	0.124	0.146	0.134
Pension (Fire,Police,IMRF,SS)	0.092	0.092	0.102	0.107	0.110	0.138
Emergency Management	0.001	0.003	0.003	0.002	0.023	0.003
Total Village of Elk Grove	\$0.510	\$0.514	\$0.481	\$0.461	\$0.512	\$0.497
Cook County, incl. Forest Preserve	0.924	0.893	0.845	0.751	0.718	0.653
Metropolitan Water Recl. District	0.419	0.415	0.401	0.371	0.361	0.347
Elk Grove School District #59	2.021	2.116	1.943	1.855	2.127	1.972
Township High School District #214	2.183	2.257	1.989	1.888	1.982	1.816
Harper Community College #512	0.27	0.347	0.308	0.295	0.310	0.28
Elk Grove Public Library	0.176	0.186	0.176	0.180	0.195	0.187
Elk Grove Park District	0.515	0.534	0.478	0.458	0.504	0.534
Township & All Other	0.124	0.104	0.09	0.085	0.086	0.072
Total(2)	\$7.142	\$7.366	\$6.711	\$6.344	\$6.795	\$6.358
Village as a Percent of Total	7.2%	7.0%	7.2%	7.3%	7.5%	7.8%

Notes:

1. As a home rule unit under the 1970 Illinois Constitution, the Village has not statutory tax rate or levy limitations.
2. Tax rate applicable to the largest tax code, which represented 81.4% of the Village's 2003 tax base and is located in Cook County (Elk Grove Township).

TAX EXTENSIONS AND COLLECTIONS
(Village Purposes Only)

Levy Year	Collection Year	Total Taxes Extended	Total Taxes Collected as of April 30, 2003(1)	
			Amount(2)	Percent
1997	1998	8,329,444	8,272,641	99.32%
1998	1999	8,313,506	8,389,970	100.92%
1999	2000	8,219,322	8,299,534	100.97%
2000	2001	8,340,607	8,277,547	99.24%
2001	2002	8,827,612	8,637,594	97.85%
2002	2003	9,067,040	8,905,629	98.22%
2003	2004	9,883,183	9,707,234	98.22%

Notes:

1. Source: Cook County and DuPage County Treasurer's Offices (92.82% of the Village's tax base is in Cook County). Taxes collected in Cook County, including late payments, are shown as collections in the year when due regardless of when the collection occurs. The "Amount Collected" is not the same as distributions to the Village as collections include taxes paid under protest. When the taxes are paid under protest are remitted, they are not included as taxes collected as they have already been considered "collected".
2. Cook County property taxes are payable in two installments: the first on March 1, and the second on the latter of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill and is one-half of the prior year's bill. The second installment is based on the current levy, assessment and equalization and reflects any changes from the prior year in those factors.

TEN LARGEST TAXPAYERS

Rank	Taxpayer	Description of Business/Property	2002 Equalized	
			Assessed Valuation	% of Total Assessed Valuation
1	Crane & Norcross	Real Estate Law Firm	\$32,577,350	1.70%
2	Centerpoint Properties	Office Buildings	29,881,696	1.56%
3	Hamilton Partners	Industrial/Warehouse Buildings	28,238,743	1.47%
4	Gullo Properties	Commercial/Industrial Real Estate	24,083,275	1.26%
5	Rogers Industrial Park	Industrial/Warehouse Buildings	21,378,222	1.12%
6	Miller Global Properties	Commercial/Industrial Real Estate	20,520,186	1.07%
7	BBKI Northwest Point	Office Buildings	18,763,638	0.98%
8	Trammel Crow Co.	Commercial/Industrial Real Estate	18,549,542	0.97%
9	ADP Inc.	Payroll Services	17,183,514	0.90%
10	Draper & Kramer	Commercial/Industrial Real Estate	14,586,928	0.76%
Total Ten Largest Taxpayers			\$225,763,094	11.78%

Notes:

The figures above are totals of numerous parcels with a 2001 EAV of approximately \$200,000 or more as recorded in the Cook and DuPage County Assessor's offices. Every effort has been made to report the largest taxpayers. However, the taxpayers listed may own numerous parcels in the Village, and it is possible that parcels with a small EAV have been overlooked. Thus, the valuation presented herewith have been noted as approximations.

Due to a delay in receipt in information from Cook County, 2003 figures are not currently available.

FIXED ASSETS AT APRIL 30, 2005

	Governmental Activities(1)	Business-Type Activities	Total
Land	\$4,970,492	\$1,977,726	\$6,948,218
Land Right of Way	24,623,825	-	24,623,825
Buildings and Land Improvements	28,195,342	4,758,673	32,954,015
Machinery and Equipment	3,584,206	2,580,658	6,164,864
Licensed Vehicles	6,541,406	920,994	7,462,400
Underground Water and Sewer Lines	-	13,177,329	13,177,329
Infrastructure	47,793,096	-	47,793,096
Construction in Progress	18,825	67,000	85,825
Subtotal	\$115,727,192	\$23,482,380	\$139,209,572
Less: Accumulated Depreciation	(45,957,394)	(8,715,466)	(54,672,860)
Total	\$69,769,798	\$14,766,914	\$84,536,712

Notes:

- Fixed assets used in government fund type operations are accounted for in the General Fixed Assets Account Group rather than in governmental funds. All fixed assets are valued at historical cost or estimated historical cost if actual is not known. Contributed fixed assets are recorded at their fair market value on the data donated. Public domain (infrastructure) fixed assets includes streets and gutter, bridges and culverts, and storm sewers. This table excludes the general fixed assets of the Elk Grove Village Public Library. Fixed Assets in the Proprietary Funds are valued at historical cost or estimated historical cost. Depreciation on all exhaustible fixed assets is charged as an expense against operations. Depreciation is provided over the estimated useful lives using the straight-line method.

COMBINED STATEMENT – ALL FUNDS (NOTE 1)
Fund Equity 2001-2004 and Summary 2005 Revenues, Excess Revenues and Fund Equity
(Fiscal Years Ended April 30)

					2005					
					Revenues Incl. Transfers		Excess			
					Property		Revenues Over	Fund Equity		
					Taxes	Total	Expenditures	(Deficit)		
Government Fund Types:	2001	2002	2003	2004						
General Fund	\$ 26,258,814 (7)	\$ 27,211,703	\$ 17,690,464	\$ 13,440,559 (7)	\$ 6,902,939	\$ 32,714,323	\$ 609,929	\$ 14,050,488		
Special Revenue Funds:										
ICRC(2)	9,438,262	2,246,525	10,067,537	10,689,037	-	2,374,431	(2,422,570)	8,266,467		
Cable Television(8)	-	-	146,967	252,557	-	280,165	63,703	316,260		
Foreign Fire Insurance	399,786	82,082	481,108	573,158	-	112,252	64,891	638,049		
Municipal Purpose	273,916	1,756	75,502	76,208	-	1,628	1,628	77,836		
IMRF(3)	85,325	763,440	(26,503)	(20,108)	-	-	-	-		
Motor Fuel Tax	2,615,061	1,085,799	2,022,879	1,613,523	-	1,036,850	(416,531)	1,196,992		
Emergency Management	(4,790)	51,999	2,112	(985)	48,745	56,986	(8,370)	(9,355)		
Legal Defense(9)	-	-	-	3,980,884	-	1,348,267	(1,164,021)	2,826,863		
Asset Seizure	41,868	1,470	35,160	38,006	-	2,199	(4,674)	33,332		
Recycling	352,575	1,163,862	853,476	327,066	-	987,209	214,940	542,006		
Total Special Revenue	\$ 13,202,003	\$ 5,396,933	\$ 13,658,238	\$ 17,539,346	\$ 48,745	\$ 6,199,967	\$ (3,671,004)	\$ 13,888,450		
Debt Service	1,560,455	2,942,179	1,959,882	1,692,772	2,797,230	3,333,781	22,695	1,715,467		
Capital Projects	(988,439)	1,477,009	7,384,795	6,094,215	766,882 (4)	1,740,245	(807,153)	4,517,003		
Total Governmental Funds	\$ 40,032,833	\$ 37,027,824	\$ 40,893,379	\$ 38,766,892	\$ 10,515,796	\$ 43,988,316	\$ (3,845,533)	\$ 34,171,408		
Proprietary Fund Type:(5)										
Enterprise Fund:										
Waterworks & Sewerage	\$ 26,304,171	\$ 8,351,372	\$ 25,390,022	\$ 24,738,125	-	\$ 8,299,032	\$ (824,000)	\$ 23,914,125		
Internal Service Fund:										
Capital RPLC Fund(6)	7,712,237	284,639	8,098,804	8,094,455	-	560,069	143,896	8,238,351		
Total Proprietary Funds	\$ 34,016,408	\$ 8,636,011	\$ 33,488,826	\$ 32,832,580	-	\$ 8,859,101	\$ (680,104)	\$ 32,152,476		
Fiduciary Funds:										
Police Pension	32,806,519	2,628,271	34,694,020	37,414,672	859,968	4,008,001	2,632,084	40,046,756		
Firefighters' Pension	42,467,962	1,936,629	41,663,319	44,128,633	917,849	3,393,863	1,001,582	45,130,215		
Total Fiduciary Funds	\$ 75,274,481	\$ 4,564,900	\$ 76,357,339	\$ 81,543,305	\$ 1,777,817	\$ 7,401,864	\$ 3,633,666	\$ 85,176,971		
Component Unit-Library	761,466	3,113,763	465,190	535,255	3,486,544	3,803,703	129,136	664,391		
Total All Funds (Memo Only)	\$ 150,085,188	\$ 53,342,498	\$ 151,004,734	\$ 153,678,032	\$ 15,780,157	\$ 64,052,984	\$ (762,835)	\$ 151,500,855		

Cash and Investments	2000	2001	2002	2003	2004	2005
General Fund	\$ 17,299,750	\$ 20,712,548	\$ 13,523,358	\$ 11,522,714	\$ 8,632,587	\$ 10,197,660
Special Revenue Funds	12,190,954	12,996,590	12,242,533	13,333,166	17,018,065	14,263,634
Debt Service Funds	2,624,299	2,630,232	2,586,123	3,011,340	2,742,866	2,834,082
Capital Project Fund	7,709,256	7,141,433	12,261,356	14,389,138	12,060,190	9,886,519
Proprietary Fund-Enterprise	8,419,266	10,030,026	9,532,717	9,157,393	8,296,587	7,627,387
Capital Replacement Fund	5,220,148	5,062,691	5,485,926	5,300,575	5,162,740	5,255,698
Component Unit	2,113,162	2,029,976	2,110,837	1,997,178	2,070,992	2,263,937
Fiduciary Funds	71,332,849	74,754,877	76,621,904	76,382,044	81,645,529	85,661,720
Total Cash & Investments	\$ 126,909,684	\$ 135,358,373	\$ 134,364,754	\$ 135,093,548	\$ 137,629,556	\$ 137,980,637

Notes:

- These condensed financial statements for the fiscal years ending April 30, 2000-2005 have been prepared from the full Comprehensive Annual Financial Reports of the Village of Elk Grove Village and do not purport to be complete audits. The full financial statements, together with the report of the Village's independent accountants, are available upon request. The accounting policies of the Village conform to generally accepted accounting principles as applied to governmental units. The accounts of the Village are organized on the basis of funds and account groups. A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds are grouped into the three broad categories of Governmental Funds, Fiduciary Funds and Proprietary Funds. Within the Governmental Funds are the General Fund (the general operation fund) which is used to account for all financial resources except those required

to be accounted for in another fund; Special Revenue Funds which are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes; Debt Service Funds; and Capital Project Funds. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus, which has only current assets and current liabilities on the balance sheet and operating statements present increases and decreases in net current assets. All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus with all assets and liabilities associated with the operation of these funds included on the balance sheets and fund equity segregated into contributed capital and retained earnings--operating statements present increases and decreases in net total assets. The modified accrual basis of accounting is followed for all Governmental Fund Types and Expendable Trust Funds (in the Fiduciary Funds category). All remaining Fiduciary Funds (Pension Trust Funds) and Proprietary Funds are accounted for using the accrual basis of accounting. The "Report of Independent Auditors" in the Village's basic financial statements for its fiscal year ended April 30, 2005 included the following language (comparable "clean" opinions were included in the Village's 2001-2004 audits shown in this table): "In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Elk Grove Village, Illinois, as of April 30, 2005, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America."

2. The Industrial/Commercial Revitalization Fund receives 3% of the Village revenue derived from the 5% simplified municipal telecommunications tax that became effective January 1, 2003 and interest earned on the Fund.
3. The Illinois Municipal Retirement Fund was combined with the General Fund in May of Fiscal Year 2005.
4. Property tax receipts in the Capital Projects Funds represent incremental property taxes in the Grove Mall Redevelopment Fund. The Fund was created when the Village advanced funds from the General Fund to provide for the acquisition of an underdeveloped/underutilized shopping center and the redevelopment of that property into a "town center". The TIF was established in 1996. The Grove Mall Redevelopment Fund had an April 30, 2005 fund balance of negative (\$5,228,447) up from a negative (\$5,659,519) the prior year. The General Fund fund balance at April 30, 2005 showed \$5,706,697 "Reserved for Advances" with an offsetting amount as "Advances to Other Funds" which reflects the loan from the General Fund, which the Village expects to be repaid in 23 years. As of April 30, 2005, the other Capital Projects funds had fund balances of \$9,468,062 (Capital Projects Fund) and \$758,569 (the Residential Enhancement Fund) which together with the (\$5,228,447) and (\$481,181) negative balances in the Grove Mall Fund and Devon/Rohlwing Fund respectively, resulted in the Combined Fund balance of \$4,517,003.
5. The amounts shown as fund balances for the Proprietary Funds are fund equity (includes contributed capital) and the amounts shown as "excess revenues" represent the change in fund equity. "Total revenues" represent operating revenues.
6. The Capital Replacement Fund receives transfers from the operating funds and effectively serves as a depreciation fund for the acquisition of capital equipment.
7. The fund balance in the General Fund was restated for prior period adjustment.
8. The Cable Television Fund was added in Fiscal Year 2003, after being taken over from the Elk Grove Park District.
9. The Legal Defense Fund was added in May of Fiscal Year 2004, to defend the Village from unwarranted taking of public land and private property currently within the corporate limits of the Village.

GENERAL FUND
Statement of Revenues, Expenditures and Changes in Fund Balance
(Fiscal Years Ending April 30)

Audited (Note 1)

Revenues/Transfers(3)	2000	2001	2002	2003	2004	2005	2006 Budget(2)
Property Taxes	\$ 4,216,948	\$ 4,213,087	\$ 4,912,453	\$ 5,459,300	\$ 5,677,805	\$ 6,902,939	\$ 7,534,358
Sales & Use Taxes(4)(9)	12,997,865	12,562,188	11,122,358	10,925,328	11,748,530	13,825,561	14,970,770
Food & Beverage(5)	608,448	654,114	651,440	631,337	631,797	669,319	673,200
State Income Tax	2,572,901	2,754,482	2,480,952	2,269,063	2,098,490	2,351,276	2,344,000
Franchise Taxes	349,670	386,598	393,178	58,030	484,164	724,783	142,615
Hotel Room Tax	1,362,561	1,353,356	952,956	839,166	895,932	976,166	1,020,000
Motor Vehicle Licenses	564,484	505,257	557,855	511,428	685,359	718,669	633,125
Building Permits	653,236	741,695	330,066	338,689	1,058,401	560,489	450,000
Other Licenses Permits	370,257	409,678	374,578	351,842	337,395	399,547	419,950
Charges for Services	283,000	342,803	313,559	291,831	362,056	415,018	357,210
Fines & Forfeits	704,360	568,904	719,758	709,993	775,111	756,830	770,500
Interest	607,054	1,347,954	833,131	496,122	457,568	755,804	200,000
Real Estate Trans. Tax(6)	804,496	876,977	889,948	885,570	1,187,754	1,002,092	1,050,000
Transfer-In:							
Water and Sewer(11)	805,200	845,460	887,750	932,138	-	-	-
All Other Revenues	1,963,211	1,967,497	2,679,472	1,631,051	1,697,297	2,655,830	4,000,930
Total Revenues/Trans.	\$ 28,863,691	\$ 29,530,050	\$ 28,099,454	\$ 26,330,888	\$ 28,097,659	\$ 32,714,323	\$ 34,566,658
Expenditures:							
General Government	\$ 5,514,918	\$ 6,177,325	\$ 6,196,778	\$ 6,163,228	\$ 3,269,003	\$ 3,393,563	\$ 4,242,212
Public Safety	13,547,086	14,271,167	16,125,650	16,756,100	20,156,851	21,525,270	21,822,083
Highway and Streets	3,931,607	4,230,486	4,281,696	4,338,736	4,800,100	5,638,862	6,345,750
Health Services	245,061	282,615	294,300	307,430	361,289	529,980	578,285
Community Services(10)	80,797	82,828	80,088	63,661	103,214	-	-
Budget to GAAP Adjustment	(102,667)	142,647	-	-	-	-	-
Subtotal Expended Before Capital Outlay	\$ 23,216,802	\$ 25,187,068	\$ 26,978,512	\$ 27,629,155	\$ 28,690,457	\$ 31,087,675	\$ 32,988,330
Capital Outlay/Transfer							
Capital Projects	1,517,822	942,140	1,616,142	735,692	560,119	996,611	1,195,689
Total Expenditures	\$ 24,734,624	\$ 26,129,208	\$ 28,594,654	\$ 28,364,847	\$ 29,250,576	\$ 32,084,286	\$ 34,184,019
Revenues Over (Under) Expenditures							
Before Capital	\$ 5,646,889	\$ 4,342,982	\$ 1,120,942	\$ (1,298,267)	\$ (592,798)	\$ 1,626,648	\$ 1,578,328
After Capital	4,129,067	3,400,842	(495,200)	(2,033,959)	(1,152,917)	630,037	382,639
Fund Balance at April 30	\$ 20,885,606	\$ 24,286,448	\$ 19,280,992	\$ 17,690,464	\$ 13,440,559	\$ 14,050,488	\$ 15,333,127
Assets:							
Cash & Investments	\$ 17,299,750	\$ 20,712,548	\$ 13,523,358	\$ 11,522,714	\$ 8,632,587	\$ 10,197,660	
Receivables:							
Property Taxes	2,799,303	2,943,208	3,283,063	3,310,542	3,614,214	4,542,476	
Other Receivables	790,174	972,687	625,970	613,533	678,579	574,674	
Due From Other Governments	1,405,011	1,384,640	2,884,233	2,882,811	3,533,235	3,773,080	
Advances to Other Funds(7)	6,301,991	6,301,991	8,602,602	8,599,705	8,597,983	5,783,889	
All Other Assets	1,215,867	1,022,970	962,252	1,133,337	1,202,668	1,385,714	
Total Assets	\$ 29,812,096	\$ 33,338,044	\$ 29,881,478	\$ 28,062,642	\$ 26,259,266	\$ 26,257,493	
Liabilities & Fund Balances:							
Accounts Payable	\$ 760,339	\$ 530,611	\$ 580,798	\$ 512,763	\$ 518,531	\$ 893,537	
Accrued Vacation Liability	874,493	914,967	967,326	992,450	595,996	1,310,624	
Deposits	118,569	127,570	-	-	-	-	
Due to Other Funds	758,115	763,958	1,308,798	706,089	4,217,515	438,831	
Deferred Property Taxes	5,041,687	5,136,728	5,556,621	5,763,453	6,007,583	7,567,890	
All Other Liabilities	\$ 1,373,287	\$ 1,577,699	\$ 2,186,943	\$ 2,397,443	\$ 1,479,082	\$ 1,996,123	
Fund Balances:							
Reserved	\$ 216,978	\$ 239,545	\$ 798,969	\$ 326,905	\$ 224,257	\$ 184,627	
Reserved for Advances(7)	6,301,991	6,301,991	8,602,602	8,599,705	8,597,983	5,706,697	
Undesignated	14,366,637	17,744,912	9,879,421	8,763,854	4,618,319	8,159,164	
Total Fund Balance	\$ 20,885,606	\$ 24,286,448	\$ 19,280,992	\$ 17,690,464	\$ 13,440,559	\$ 14,050,488	
Total Liabilities and Fund Balances	\$ 29,812,096	\$ 33,337,981	\$ 29,881,478	\$ 28,062,642	\$ 26,259,266	\$ 26,257,493	

Notes:

1. These condensed financial statements for the General Fund for the years ending April 30, 2000-2005 have been prepared from the full Comprehensive Annual Financial Reports of the Village of Elk Grove Village and do not purport to be complete financial statements. The full financial statements, together with the report of the Village's independent accountants, are available upon request. See Note 1 to "Combined Statement—All Funds".
2. The Village Manager submits a proposed operating budget to the Board of Trustees which budget includes proposed expenditures and the means of financing them. Subsequent to budget hearings, the budget is legally enacted through passage of an ordinance. The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees. Budgets are adopted on a basis consistent with generally accepted accounting principles except the Police and Firefighter's Pension Fund contributions or the related property tax revenues are not budgeted.
3. The Village has not availed itself of the up to 5% utility tax for charges on electric and water services. Effective January 1, 2003, a 5% simplified municipal telecommunications tax was implemented for deposit into the Industrial/Commercial Revitalization Fund (3%) and General Fund (2%).
4. Effective September 1, 1991 a ½% home rule sales tax was adopted. Effective January 1, 2003, the home rule sales tax increased to ¾ %. The amount here is the combined 1¼% tax. Effective July 1, 2004, the home rule sales tax increased to 1%.
5. Effective August 1, 1988 a 1% home rule tax on the sale of prepared food and alcoholic beverages became effective.
6. Effective July 1, 1988 a real estate transaction tax in the amount of \$3/1,000 sales price became effective.
7. See footnote 4 to "Combined Statement" table.
8. The General Fund balance was restated in Fiscal Year 2001 in the amount of \$1,972,366 for restated Fund Balance of \$26,258,814.
9. The Village implemented a \$0.01 per therm Natural Gas use tax starting Jan 2004. Anticipated revenue is \$600,000 annually.
10. The Community Services department was merged with the Health Department in Fiscal Year 2005.
11. Change in accounting method due to the implementation of GASB 34.